[H.A.S.C. No. 111–123]

HEARING

ON

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2011

AND

OVERSIGHT OF PREVIOUSLY AUTHORIZED PROGRAMS

BEFORE THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED ELEVENTH CONGRESS

SECOND SESSION

FULL COMMITTEE HEARING

ON

BUDGET REQUEST FROM THE DEPARTMENT OF THE AIR FORCE

HEARING HELD
FEBRUARY 23, 2010

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FISCAL YEAR 2011 NATIONAL DEFENSE AUTHORIZATION ACT—BUDGET REQUEST FROM THE DEPARTMENT OF THE AIR FORCE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Tuesday, February 23, 2010.

The committee met, pursuant to call, at 10:05 a.m., in room 2118, Rayburn House Office Building, Hon. Ike Skelton (chairman of the committee) presiding.

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

The CHAIRMAN. Good morning. Today the House Armed Services Committee meets to receive testimony on the fiscal year 2011 budget request of the United States Air Force. Our witnesses today are the Honorable Michael Donley, Secretary of the Air Force, and General Norton Schwartz, Chief of Staff of the Air Force.

Thank you both for appearing. And let me take this opportunity also to thank those you lead: the Active Duty, Reserves, the Air Guard personnel as well as the Air Force civilians.

Every day, the Air Force flies in excess of 200 sorties a day in Iraq and Afghanistan, totaling over 570,000 sorties since September 11, 2001.

In addition, about 29,000 personnel are currently deployed to Iraq and Afghanistan, including over 4,000 serving on the Joint Expeditionary Task billets; that is, in nontraditional billets often outside the wire.

This continues to be an exceptionally busy Air Force and one that is contributing greatly to the current joint fight, and we are proud of them. To support this level of activity, the Administration has requested a $5.3 billion increase over last year's base budget level. This would support a 1.4 percent across-the-board military and civilian pay raise and support the Air Force's continued focus on providing support to military families.

As someone who has often commented that if Mama ain't happy, no one is happy, I strongly approve of the continued emphasis on personnel and family issues.

Nonetheless, there are aspects of this budget request that cause me concern. For starters, I see we are back to square one on building a new bomber. Two years ago, Secretary Gates gave his blessing for the Air Force to begin a new, well-thought-out bomb program. As I understand the direction now is to reconsider where to go with this program, going back to first principles. I find this somewhat confusing as these issues were recently studied in-depth

over a five-year period, and I hope that our witnesses today will explain to us why redoing this study is a good use of our taxpayer dollars.

Our national security will continue to require bombing capability, and the smart design engineering workforce, a national treasure, frankly, in my opinion, should not be lost.

I also want to discuss the F–136 alternate engine issue. We have long funded the development of an alternate engine for the Joint Strike Fighter [JSF] as an insurance policy for our national security. Twenty-five years from now, the F–35 will comprise 95 percent of all U.S. fighter aircraft. It seems to me that relying simply on one engine means accepting a potential single source of failure. The Secretary of Defense promised us, starting February 1, that he would provide us the analysis on this year's decision. We have still not received this analysis. We do remain deeply concerned about receiving it quickly. I would hope that you would see to that.

I also have questions about the status of the F–35 program more generally. This is a critical program for us, as well as for our allies. The three recent reviews of the F–35 program have challenged the current development schedule, cost increases of the F–135 engine, the future production schedule given us. I would ask our witnesses to help us understand how we can stay on target for our 2013 initial operating capability and, in the absence of full testing, why the Air Force wants to buy 23 in 2011, an increase from 13 in 2010.

Now, I might say there are many other issues that I hope we can get into during our questioning, including our strike fighter force structure requirements, cyberattacks, and defense future plans for light attack aircraft, to name a few. In addition I will say I am pleased that the OSD [Office of the Secretary of Defense] and the Air Force will soon be issuing the final request for proposal for our next tanker. We hope we can get that behind us. We must get a new tanker contract award and start replacing current planes just as soon as possible.

I turn to my good friend the ranking gentleman from California, Mr. McKeon.

[The prepared statement of Mr. Skelton can be found in the Appendix on page 49.]

STATEMENT OF HON. HOWARD P. "BUCK" MCKEON, A REPRESENTATIVE FROM CALIFORNIA, RANKING MEMBER, COMMITTEE ON ARMED SERVICES

Mr. MCKEON. Thank you, Mr. Chairman.

Secretary Donley, General Schwartz, it is good to have you with us here today. We appreciate all you do, and we are truly grateful that we have men with your leadership ability sitting where you are.

Gentlemen, I want to take a minute to applaud both of you for your remarks at the recent Institute for Foreign Policy Analysis [IFPA] conference. General Schwartz, at that event you acknowledged that the Air Force has had a short-term and somewhat narrow, focused, fix-it sort of perspective. I agree with you on that point, and I also agree that it is not good for the long-term health of the institution.

Secretary Donley, I believe you were also on the right track when you said that the Air Force needs to remain vigilant in tying your work to the National Security Strategy, the QDR [Quadrennial Defense Review], and the larger national security community. I would caveat that by saying that your efforts will only prove successful if the National Security Strategy and the QDR provide appropriate guidance.

As you all know, we recently had Secretary Gates, Admiral Mullen and Secretary Flournoy before this committee, and many of our members, Republican and Democrat alike, expressed concern that the 2010 QDR and the fiscal year 2011 budget are overly focused on the short-term and fail to adequately address strategic risks.

I strongly believe that if we are to be successful in providing for a military that is ready and capable of responding to a broad array of challenges, we must take care that we don't shape our forces for the counterinsurgency battles of Iraq and Afghanistan at the expense of conventional defense capabilities. We can only address both of these challenges to our national security with clear strategic guidance and commitment of appropriate resources. I am very concerned that the QDR and the 2011 budget request provide neither.

The near-term focus of the QDR is very alarming when you consider the impact to the Air Force. Decisions to reduce fighter force structure, space systems, and missile defense capabilities cannot be easily undone. We can't feasibly restart production of the F–22s, and we can't field new satellites or missile defense systems the way we surged MRAPs [mine resistant ambush protected vehicles].

I would also like to take a moment to express my continued opposition to this year's proposed retirement of 250 F–15s, F–16s, and A–10s. I recently visited with General Roger Brady, the commander of the U.S. Air Forces in Europe. He is very concerned about the impact of these force reductions on our ability to engage and build partnerships with our friends and allies in Europe. In his words, our basing and force structure is not aligned with our foreign policy. He strongly believes that if we take those fighters out of Europe, they will only be back to fight the war that they were there to deter. I would argue that the same holds true in the Pacific theater. As aptly noted in your IFPA remarks, Secretary Donley, "Presence is essential to successful engagement." Our capabilities must be sufficiently robust and flexible to support a broad range of engagement needs.

I also look forward to your addressing directly the President's State of the Union call to repeal Don't Ask, Don't Tell. Before the President or special interests force a change in the policy or law, Congress deserves to see from the services concrete in-depth evidence that such a change would improve wartime military readiness in any measurable significant way. Many of us on this committee have serious concerns with putting our men and women in uniform through such a divisive debate while they are fighting two wars. Since today's hearing focus limits the amount of time we can spend discussing Don't Ask, Don't Tell, I have echoed Mrs. Davis' request for you to appear at the Military Personnel Subcommittee

hearing on this issue March 3. I would hope that we could work that out.

Gentlemen, I look forward to our discussion today and hearing more from you on your vision and strategic goals. I believe the Air Force is at a critical juncture, one that will prove to be historic. We must be wise in the path that we choose. And I yield back.

The CHAIRMAN. I thank my friend from California.

Mr. Secretary, the floor is yours.

STATEMENT OF HON. MICHAEL B. DONLEY, SECRETARY OF THE AIR FORCE

Secretary DONLEY. Thank you, Mr. Chairman, Mr. McKeon, members of the committee, it is indeed a pleasure to be here today representing almost 680,000 Active Duty, Guard and Reserves, and Air Force civilians.

I am also honored to be here with my partner, General Norton Schwartz, who is a phenomenal teammate and a tireless public servant.

Today I am pleased to report that America's Air Force continues to make progress in strengthening our contributions as part of the joint team and the excellence that is the hallmark of our service. We are requesting $150.0 billion in our baseline budget and almost $21.0 billion in the overseas contingency operations [OCO] supplemental appropriation to support this work.

In the past year in planning for the future, we have focused on balancing our resources and risk among four priority objectives outlined by Secretary Gates in the recently released QDR.

First, we must prevail in today's wars. Your Air Force understands the gravity of the situation in Afghanistan, and as we continue to responsibly draw down the forces in Iraq, we are committed to rapidly fielding needed capabilities for the joint team, such as surging ISR [intelligence, surveillance, and reconnaissance] assets into theater and maximizing air mobility to accelerate the flow of forces into Afghanistan.

Secondly, we must prevent and deter conflict across the spectrum of warfare. As we await the results of the Nuclear Posture Review [NPR] in the new START [Strategic Arms Reductions] Treaty, we continue concentrating on the safety, security, and sustainment of two legs of the Nation's nuclear arsenal. Last year, we stood up Air Force Global Strike Command. We have now realigned our ICBM [intercontinental ballistic missile] and bomber wings under the control of a single commander. We also stood up the Nuclear Weapons Center to consolidate the management of all our nuclear weapons' sustainment activities. And to increase our engagement across the world, we are building partner capacity in Afghanistan and Iraq, developing the training framework that emphasizes light attack and mobility that can benefit other nations.

Third, we need to be prepared to defeat adversaries and succeed in a wide range of conflicts. We need to ensure that we are providing the right capabilities with our strategic airlift and ISR platforms and ensure our space-based assets continue to deliver needed capabilities for the future.

In addition, the last two decades of sustained operations has strained our weapons systems. We continue to determine which

aircraft we will modernize and sustain and which we must retire and recapitalize. One of our primary efforts includes retiring and recapitalizing many of our legacy fighters and tankers, replacing them with F–35s and KC–Xs. These decisions require tough choices as well as the ability to quickly field systems that meet warfighter needs at an affordable price. Because acquisition underpins this effort, we are continuing to work to recapture excellence in this area. In the past year we have made great strides in reforming our internal processes. We have added more program executive officers and are growing our acquisition workforce by several thousand professionals over the over next five years.

Finally, we must preserve and enhance the all-volunteer force. Airmen are our most valuable resource, and they have performed superbly in every mission and deployment they have undertaken. With the understanding that their families serve alongside them, in July of 2009, General Schwartz and I and Chief Master Sergeant Jim Roy began a year-long focus on our men and women and their families. This Year of the Air Force Family recognizes their sacrifices, and it looks to determine how we can better support, develop, house, and educate them. We are determining which programs are performing well and where we can do better.

It is important to note that each of those areas prevailing today, preventing and deterring conflict, preparing for tomorrow, preserving the force, are continuing efforts. We know that each will require sustained commitment, and we are now developing and implementing proactive plans for future success.

As I noted last year and would reaffirm again, the stewardship of the United States Air Force is a responsibility that General Schwartz and I take very seriously. We are very grateful for the committee's continued support in this journey. And we look forward to discussing our proposed program and budget.

Thank you very much.

The CHAIRMAN. Thank you Mr. Secretary.

General Schwartz, please.

[The joint prepared statement of Secretary Donley and General Schwartz can be found in the Appendix on page 51.]

STATEMENT OF GEN. NORTON A. SCHWARTZ, USAF, CHIEF OF STAFF, U.S. AIR FORCE

General SCHWARTZ. Mr. Chairman, Ranking Member McKeon, members of the committee, I am proud to be here today representing your Air Force with Secretary Donley.

Let me begin by reaffirming that the United States Air Force is fully committed to effective stewardship of the resources that are placed in our trust.

Guided by integrity, service, and excellence, our core values, America's airmen are serving courageously every day with precision and reliability on behalf of the American people. This budget request supports these airmen in our continuing efforts to rebalance the force, make difficult decisions on what and how we buy, and sustain our needed contributions to the joint team.

Secretary Donley and I have established five priorities shortly after our taking office to ensure our entire force was focused on the right objectives. Most of our initial effort focused on renewing our

commitment to long-established standards of excellence. I am pleased to report to you today that our committed and talented airmen broadly understood our intent and delivered in meaningful fashion. Although these initial priorities were not designed to change from year to year, our progress with the nuclear enterprise is such that we can now shift our efforts to sustain the progress that we have made. Thus, our first priority is to continue to strengthen excellence in the nuclear enterprise. The rigor of our nuclear surety inspections demonstrates a new commitment to the highest levels of performance, but we must and we will do even more to ensure 100 percent precision and reliability in our nuclear operations and logistics 100 percent of the time.

For our second priority, to partner with our joint and coalition team to win today's fight, Secretary Donley mentioned several of the ways in which our airmen are providing critical air and space power for the joint and coalition team. Your airmen are also performing admirably wherever and whenever our joint teammates require, including providing battlefield medical support and evacuation, ordnance disposal, convoy security and much, much more.

Our third priority remains to develop and care for our airmen and their families. As the Secretary indicated, we initiated the Year of the Family shortly after our testimony last year in recognition of the vital role that our families fulfill in mission accomplishment. Although their sacrifice is perhaps less conspicuous, contributions—their contributions—are no less substantial.

Modernizing our inventories, organizations, and training, our fourth priority, is among the most difficult tasks that our service has undertaken in these last 18 months. In order to achieve the balance that Secretary Gates envisioned for our force, we were compelled to action and to decision. The budget reflects a continuation of that effort. We set forth on a plan last year to accelerate the retirement of some of our older fighter aircraft. This year we will not be retiring any additional fighters, but we are shifting away from some of our oldest and least capable C–130s and C–5s.

Modernizing where we can and recapitalizing when we must will allow us to recapitalize our force scenarios where simple modernization is no longer cost-effective. KC–X is one such example. Awarding a new aerial refueling aircraft contract remains our top acquisition priority, and we hope to deliver an RFP within days to get the program underway. A similar imperative is the F–35. And I want to underscore Secretary Donley's comments by noting that this weapons system will be the workhorse driving much of our Air Force and the joint force forward.

Long-Range Strike is the last program that I number among our top initiatives. The Air Force fully supports the development of a family of systems, providing both penetrating and standoff capabilities for the next two to three decades as described in the QDR.

Recapturing acquisition excellence, our final priority, is only now beginning to pay dividends with our acquisition improvement plan at the heart of the reform effort. While promising initial successes must continue for a number of years before we can declare victory on this front, we are fully aware that we must bring every bit of capability and value that we can from the systems that we procure,

and this will continue to require a sustained focus on acquisition excellence.

Mr. Chairman, the Air Force will continue to provide our best military advice and stewardship, delivering global vigilance, reach, and power for the Nation. Thank you for your continuing support of the United States Air Force and that of the committee, and particularly for our airmen and their families. I look forward to your questions, sir.

[The joint prepared statement of General Schwartz and Secretary Donley can be found in the Appendix on page 51.]

The CHAIRMAN. General, thank you very much. We are especially proud of what you have done, both you gentlemen, as well as the many young men and young women that wear the blue, and we hope that you will transmit our appreciation to them.

In the past, I have asked how many non-Army, non-Marine personnel are deployed doing Army type of work in Iraq and Afghanistan. Can you enlighten us as to that number today from the Air Force?

General SCHWARTZ. Sir, the number is about 4,700.

The CHAIRMAN. That is down considerably, is it not?

General SCHWARTZ. As Iraq has subsided in terms of strength, so too have our joint expeditionary taskings, sir.

The CHAIRMAN. How goes the recruiting for the Air Force?

General SCHWARTZ. Sir, we have met our numbers, both recruiting and retention, with the singular exception of the medical specialty, and thus far this year we have——

The CHAIRMAN. And when you say "medical specialty," are you talking about doctors, nurses?

General SCHWARTZ. Yes, sir.

The CHAIRMAN. The whole gamut?

General SCHWARTZ. Yes, particularly on the officer side. And that is why we have in the budget request this year about $135.0 million in requests for incentives and for bonuses with respect to making it more attractive for medical professionals to come on Active Duty and to remain on Active Duty.

The CHAIRMAN. The F–35, as I mentioned in my opening statement, has continued to be a source of questions for me. It seems like every year the program is slipping and slipping, although you are asking for 23 this coming year. Where is this program? Why aren't we ahead of the game on this?

Secretary DONLEY. Well, sir, this program has had lots of scrutiny. It is the Department of Defense's largest program. Within the Air Force, it is our largest single program and by itself accounts for 15 or 16 percent of all our investment dollars, not our total budget but our investment dollars. And we have had a close eye on this program, especially over the last couple of years, with independent cost estimates set in motion by Dr. Carter, Secretary Gates, and their predecessors, so the program is getting great scrutiny. We have identified potential slips from independent estimates done at the end of 2008, and you may recall that the Secretary made an adjustment in the F–35 program last year to add about a little over $400.0 million to development. And so we had a close eye on this last year, and we also set in motion new and independent estimates to be undertaken at the end of last year. And

when those were done, those independent estimates showed that we had not regained ground that had been projected to be regained, and we needed to recognize a slip in the program, and that is the source, really, of the restructuring that has been proposed in this budget.

The CHAIRMAN. This committee last year successfully wrote a bill regarding acquisition reform, and what we wrote actually pretty much was what came out of conference with the Senate. Is that making any difference with the F–35 program?

Secretary DONLEY. I think it has made a difference to the extent that the Department has made a strategic decision to accept the independent cost estimates that were reported to us at the end of the year, so we had to make a significant adjustment in the program as a result of that. So we have taken onboard what we think are probably the more realistic estimates. And I think that is a reflection of the same kind of emphasis that the committee put in its bill.

The CHAIRMAN. I hope we can finally say, "Let's get on with it."

Secretary DONLEY. Well, sir, this does represent a slip in the program. It will cost us more money to get where we need to go, but this is the right thing to do. This program had lots of concurrency built in between development and production, and the independent estimates showed us that that level of concurrency just got to an unsustainable level. So we have knocked down the production ramp. We have added dollars back into development to complete that work. We have taken other risk-reduction measures, consistent I think with the philosophy that the committee presented last year, and we are all about getting this program on track as quickly as possible. There is no diminution of the importance of this program or the emphasis that we are putting on its success going forward.

The CHAIRMAN. One last question. As you know, there is a major Cyber Command that is in the offing. You have within the Air Force, do you not, a Cyber Command? This is my last question; then I will ask Mr. McKeon to carry on. But would you very briefly describe the Air Force Cyber Command and how it is working, please?

General SCHWARTZ. Sir, we stood up the 24th Air Force, a numbered Air Force whose focus is the cyber mission. And there are two major components of that cyber mission based in San Antonio, along with other cyber activities that are in the area: The major mission will be to defend the Net—our Nets are no longer administrative entities, they in fact are operational and command-and-control entities—and secondly, to employ cyber in a way that reinforces the Air Force mission. So it is an Air Force-focused activity.

It will be the component command, the Air Force component command to the unified or subunified Cyber Command when it is established. And it is led by a two-star general officer of some reputation.

The CHAIRMAN. I thank you, gentlemen. Mr. McKeon.

Mr. MCKEON. Thank you, Mr. Chairman. And thank you again for being here. In your personal and professional opinion, do you believe the current law prohibiting service by openly gay and lesbian personnel should be repealed?

General SCHWARTZ. Congressman McKeon, in this instance, my personal opinion is my professional opinion. The President has clearly articulated his intent, and should the law change, the Air Force will implement statute and policy faithfully. Nonetheless, I am concerned that there is little current scholarship on this issue and little current and reliable survey data of our airmen and their families. Secretary Gates' study effort is therefore essential in my view to thoroughly understanding and properly evaluating the associated facts and circumstances, the potential implications, the potential complications.

I have two strong convictions on this, sir. One is that this is not the time to perturb the force, that is at the moment stretched by demands in Iraq and Afghanistan and elsewhere, without careful deliberation. And two, should the law change, our standards of conduct will continue to apply to all airmen.

Mr. MCKEON. Thank you. Secretary Donley, what capabilities should the Air Force provide the Nation in the next two to three decades?

Secretary DONLEY. Sir, I think we are on track to provide a full spectrum of Air Force-related capabilities that will be needed by the joint warfighter going forward. In the past couple of years, the Air Force has identified 12 core functions that are essential to the full scope of our responsibilities as your Air Force, and they range from mobility to space to cyber to ISR to command and control, precision attack, and several others. And our task going forward is to balance our investments and all those capabilities to ensure that we have provided the joint warfighters the maximum capability out of the resources made available to our Air Force. So I think we are on track to do that.

We need to make adjustments along the way. We are not building the Air Force that was planned to be built 10 years ago. We are a different Air Force today. We will be a different Air Force in the future. We need to be—we will probably be a smaller fighter force structure, for example, but that will be a fifth-generation fighter force structure. So we need to get to the F–35 and get up that production ramp as soon as we can.

We are going to have a modern tanker capability that will be more capable than the current KC–135 fleet. We are building command and control satellites that have much more bandwidths and offer much more throughput and security for the joint warfighter in command and control in ISR and other areas. So just the things that we do for the joint warfighter constitute—and all we do is for the joint warfighter, but our critical and enabling capabilities, for example, command and control, ISR, mobility, which all the joint community uses, is over 30 percent, it is over 34 percent of our resources, goes into that work. We need to get on with a long-range strike capability to replace the legacy bombers that we are operating today and to get ahead, stay ahead of evolving threats in that area. So these are examples of a full range of capabilities that we will need going forward.

Mr. MCKEON. Thank you. I have been concerned in the time that I have been in Congress. I have seen us cut the B–2 from 130 down to 21, and now the F–22s from 750 down to 187. I remember a discussion I had with Chairman Dellums 16 years ago: "What would

be the next bomber?" And he said, "Well, we will come up with some new one." Well, in the last year's budget, we cut the work that was being done on the next generation long-range bomber, and now it looks like we are starting over from scratch. And I am wondering if we might have a 10- to 20-year lag somewhere in there in our capabilities.

So you said we are doing the best we can within the budget, the resources that are made available to the Air Force. In your view, does the President's budget request put us on track to get the capabilities? Could we use more top-line money?

Secretary DONLEY. I think Secretary Gates has addressed this pretty effectively. We do have some growth in the defense budget. And there is modest growth depending on how you define "inflation" at this point in fiscal year 2011. Compared to the rest of the Federal Government, the national security community is getting the attention that it needs this year. Over the longer term, it would be best for our—my personnel professional view—it would be best for our national security community to have modest growth but sustained growth over time. Modest but sustained.

In this business we are the victims, as you appreciate, sir, of boom-and-bust cycles. And over the long term, it is best to have some modest sustained growth that we can count on and that we can plan on for the future.

Mr. MCKEON. I know in the budget it says we have a one percent growth this year in the proposed budget, but when you look at the numbers—and I look at all the numbers—it doesn't look like we have a one percent. And I am not sure that one percent is a growth, so I do think that as our major responsibility is funding the defense of our Nation. I think that that is something that we definitely need to focus on, and I think we do need to have more top-line money.

General Schwartz, as I noted in my opening remarks, I am very concerned about the force structure changes we are seeing in the Air Force. It is clear that you are taking a risk in an attempt to balance requirements with resources. It is important that this committee understand your calculus. Can you please quantify the level of risk you are taking in each of the service core functions, both in the near-term and the out-years?

General SCHWARTZ. Congressman, I would characterize that as moderate, as moderate risk. That is true with respect to the reductions in fighter force structure, which will allow us to generate not only some additional resources for missions that are in their ascendancy right now, such as intelligence, surveillance and reconnaissance, but very importantly—and this is not well understood—generate the manpower in a fixed manpower pool to man these ascended missions.

On the airlift side, we now have or will soon have the official Mobility Capability and Requirement Study 16, 2016, and it is clear that we have some excess capability on the big airplane airlift side. And we are proposing in the 2011 program to reduce 17 C–5s. I appeal to the committee for your serious consideration of those proposals. I understand the angst, but the reality is that we need to move forward. And part of moving forward to next-generation platforms is not hanging on too long to legacy force structure. Part of

retooling ourselves to be more relevant to the joint team is growing in some areas, shrinking modestly in others, which we consider to be a moderate risk, sir.

Mr. MCKEON. Looking in the future what would be your biggest concern?

General SCHWARTZ. I think the biggest concern—there are two parts to this. One is human capital. If I lose sleep at night, it is concern over our ability to recruit and retain the kind of people that America needs to do this work, and that is a continuing issue. And as you suggested earlier, certainly families are a major part of that.

The second piece is that we have sufficient resources to sustain the existing inventory of machines and assets. And as you are aware, we have made that clear that we are currently sitting, in the base budget, at 62 percent of our sustainment requirement, with the overseas contingency supplemental that would bring it up to 84. That is lower than I would like to be, but again we have worked hard to try to manage risk across the entire proposal. But those are the two areas, human capital and weapons systems sustainment, that give me the most concern.

Mr. MCKEON. Thank you. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you Mr. McKeon. We are now under the five-minute rule. Mr. Ortiz.

Mr. ORTIZ. Thank you, Mr. Chairman. Mr. Secretary and General, thank you, good to see both of you and thank you for joining us today. And let me say that we are proud of the service that you render to our country. As we ramp our efforts in Afghanistan, the use of airmen to augment certain bombing requirements is not expected to go down and most certainly will increase in the coming months. And we are seeing how this war is advancing in Afghanistan.

What impact does the augmented mission have on the Air Force, specifically on dwell time and training for other Air Force missions? And how do the readiness rates for deployment units compare to those in stateside? And what impact are those readiness rates having on your ability to train airmen when they are deployed?

I was just wondering, I can remember the days when you joined the Air Force, you were Air Force. Or if you joined the Navy, you were Navy. But now they get a certain training in the Air Force or the Navy, but now you are seeing some of these Air Force and Navy people getting to do some of the groundwork as well. I was also worried about the training, if they are getting comparable training, but what is this doing to you and what are you doing to improve that? What impact is it having? Thank you.

General SCHWARTZ. Congressman, I will answer at several levels. The reality is the country is at war. And if there is a demand, if there is a need for us to serve a wartime function, we will do so. And I must say, sir, that I don't apologize for that here, or with our people, when we talk about this. The obligation that we have is to ensure that those folks who are doing nontraditional missions are properly trained. And I think that we have—we fulfill that obligation properly.

The numbers, as indicated earlier, have subsided in terms of the overall number of troops doing expeditionary taskings. Although we will plus-up in Afghanistan about 2,000 people, and, along with the 30,000 folks that will surge through the late summer of this year, some of those will be nontraditional tasks.

The key thing for us is that as the Army grows its pool to its final end-state, and likewise the Marines, we need to make sure that this does not become a habit, that as they establish their combat support and combat service support in greater numbers, that that relieves the Air Force and the Navy of these augmentation taskings.

Last part about readiness. Typically, sir, our deployed units are more ready than are the garrison units. This is not a surprise. We devote our resources, spares, certainly dollars and attention, to those units that are in the area of operations. We do our best to maintain readiness in the rear. There is impact, I can't deny that. We are not as ready across the board on all of our missions as we would be were this a peacetime setting. But the truth is that we are prepared to do the missions that we are on call to do now. We are training our youngsters both in traditional and nontraditional skills to execute as part of the joint team, and I think the evidence is—you have seen it yourself—is they are performing in quite a remarkable way.

Mr. ORTIZ. And I just have one last question.

My concern has been intelligence gathering. And I am just wondering—and I realize we are at war, and it is horrible. But what efforts—are you getting the right intelligence now? And I know it is not easy, especially to get human intelligence in that part of the world. Can you give us an idea as to what we are trying to do? And maybe you can't say it in here, but maybe you can at least elaborate on the intelligence gathering.

General SCHWARTZ. We have, I think, expanded our capacity to gather intelligence in a variety of ways, and perhaps the most visible way from the Air Force point of view is our remotely piloted aircraft. Our teammates on the ground, including our battlefield airmen, won't go around a corner or through a window or a door without the situation awareness that our remotely piloted aircraft provide from above. That is intelligence. That is real-time intelligence.

What you speak of in terms of understanding the terrain and the culture and so on and so forth, vital as well. That is more applicable, arguably, to the ground forces perhaps than it is to the Air Force, but we have found that our needs for intel support to the current fight are adequately filled.

The CHAIRMAN. I thank the gentleman. Mr. Bartlett.

Mr. BARTLETT. Thank you both for your service. Earlier this month, the Department of Defense [DOD] submitted a response to the congressionally-mandated aircraft investment plan, the Air Force inheriting the direct support mission. Can you explain to the committee how this new mission fits into your plan? The reason I ask is that I have not seen it referenced specifically, and I noted that the Joint Cargo Aircraft [JCA] isn't referenced either as an asset of the Air Force, and yet the report identifies a target for procuring 63 more C–130Js by 2020.

A second question. In an environment such as Afghanistan, can the current fleet of C–130s meet the Army's need for direct support?

General SCHWARTZ. Congressman Bartlett, we ran a test program for direct support in Iraq, which concluded in December, for the Army division brigade that was there with two C–130 aircraft. They were dedicated to that and we ran this test and it was completed successfully. That is demonstrating that we have the command and control, the orientation, and the capacity to provide direct support should that be what the joint force commander requires. We did it in Iraq because General McChrystal did not want to run the test at the time in Afghanistan.

So we have a concept of employment, a concept of operations for direct support. It will include the C–27 aircraft clearly, the purchase of which is 38 aircraft. And in this case, it demonstrated that the C–130 can do that mission as well. And what we will do is use the platform that is optimal for the particular requirement, whether it is a C–27 or C–130, and if there is a need to provide direct support to ground units, ground formations, the United States Air Force is prepared to do that.

Mr. BARTLETT. Isn't it true that we are currently spending about $8.0 million a month to lease 22 planes, T–35s, Metroliners, Colossus? The Sherpas can't do the job in Afghanistan? Due to runway length and width limitations, the C–130s can't even land. I know that the Joint Cargo Aircraft was not a program enthusiastically supported by the Air Force. They have little interest in it. It was primarily of interest to the Army for reasons that I am having trouble understanding. This whole program was given to the Air Force, and they stated they didn't want the program. And now I am concerned that since it is primarily of interest to the Army, and we obviously can't meet our direct support needs because we are leasing all these planes, and I don't even see this referenced in the report, you can understand my concerns sir.

General SCHWARTZ. I think the Army was intently interested in this because they weren't sure their Air Force would be there with them when they needed direct support. That is a change. We have demonstrated to our Army brothers and sisters as well as others that we will be there. We can do this. We will do this if this is the task. And we will do it with a mix of platforms, in this case, 27s and 130s.

But I should mention something, sir. Yes, there are some aircraft that are leased, and not by the Air Force but that are leased in Afghanistan. But the thing that we have done to minimize the need for that is air drop. Our air drop requirements have increased sevenfold, and that is how we are supporting outlying areas in Afghanistan now, is to do precision air drop of supplies: 50 percent is food, 35 percent is fuel, some 10 percent is building barrier materiel and such. That is the other aspect of this which is truly direct support that perhaps isn't seen as such, the air drop.

Mr. BARTLETT. Sir, are you comfortable with the Air Force's responsibility for the Joint Cargo Aircraft, whose primary interest in it is supporting the Army? Are you comfortable with that relationship?

General SCHWARTZ. Sir, I think not only am I comfortable, but I believe General Casey likewise is comfortable. And this is a matter of trust. And if you were to ask Ray Odierno today about how the test went in Iraq, I think he would tell you that we changed people's minds. We are going to do this mission to the standard that our teammates expect, sir.

Mr. BARTLETT. This is a good test of jointness. I trust it is going as well that you indicate to us that it is going. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

Dr. Snyder.

Dr. SNYDER. Thank you, Mr. Chairman. Thank you for being here, gentlemen.

Two quick questions and then a third one. First of all, General Schwartz, we tried to give you some looser language to help you with the retirement of E models. I am not one of those who thought having old, non-flying hardware sitting on a tarmac somewhere is helpful to the Air Force. Has that helped you? Do you need additional language with regard to old E models?

General SCHWARTZ. It has, sir. And I would again encourage the committee to allow us some latitude in managing the fleets. And this will be particularly true in 2011 with respect to C–130s as well as C–5s.

Dr. SNYDER. Any specific language that you think would be helpful, particularly with regard to the 130, I would be interested in seeing.

Are you satisfied, General Schwartz, that with regard to C–130s that the Aviation Modernization Program is on track, where you want to be? I know you had six or eight months of discussion, but it seems to be back on track. Is that your view?

General SCHWARTZ. For 221 aircraft, I won't kid you, we made a proposal not to pursue the Aviation Modernization Program for all the C–130s. The Department did accept that proposal, so 221 aircraft is fully funded.

Dr. SNYDER. I do want to make a comment. I know, Secretary Donley, that your Under Secretary is not with you. She is actually here in spirit. Erin is roaming around here somewhere, our staff director. I know that Senator Shelby has put a hold on her and apparently two other DOD nominations. My own view is she has a job here. We love her. We will treat her well. I would encourage you all to do what is in the best interest of the military and the Air Force and not succumb to any parochial threat just to get a nomination through. I think it is shameful that is going on. You don't need to make a comment on that, Secretary Donley, and you probably would be wise not to.

I want to get to a specific question with regard to Don't Ask, Don't Tell with a little different thought, and this is from a legal aspect of things. Secretary Donley, General Schwartz, has your legal team kept you up to speed on the fact that there is now a split of authority between the circuit court of appeals with regard to—it started with an Air Force case in the Ninth Circuit, the Witt case. Are you aware that we have different standards now in the different circuits of the country?

Secretary DONLEY. Yes.

Dr. SNYDER. It seems to me that it is going to be a problem. Mr. McKeon began his comments—he questioned you, General Schwartz, by saying—your opinion about having openly gay or lesbian folks serving in the military. Under the language of the Witt case in the Ninth Circuit, which includes Oregon, Washington, California, and Idaho—and I have talked to some of the highest legal authorities within the military and the Air Force—you will have openly gay and lesbian members serving in the Air Force and the military in the Ninth Circuit. It is very clear from the language of that opinion and the analysis that has been done by military lawyers that because the opinion requires a factual analysis of each case, there will be people you will not be able to make the case are disruptive to good order and discipline.

My question, and perhaps more in the spirit of a comment, is I don't see how—we have put you in a very difficult position. I don't see how it is workable that you can have somebody at some point, three months, six months, maybe right now, that the leadership at a base has concluded there is nothing—we can't make a factual case that this person should be out of the military, but if we have them fly to Nashville or to Little Rock and they are in a different circuit—because we have the First Circuit case, the Cook case, saying, no, we defer to the military—that they can be kept there. I don't see how that is workable.

Now, the suggestion I want to make is, and I haven't seen this written up, it may well be that as we are going through whatever transition we are in, that the military may want to consider making the venue for all these cases within the Ninth Circuit. Otherwise you are going to have a very difficult situation for the military leadership and for individual commanders who are trying to enforce this policy. And because the Ninth Circuit based their opinion on the Constitution, there is no legislative language that the Congress can pass and say, well, we are going to correct that language. This is a Constitutional right that came out of the Lawrence case out of Texas.

So I don't think you have to respond to that if you don't want to, other than do you agree with me that you have a very difficult situation since you are going to have two legal treatments of perhaps the same person if they got moved from state to state?

Secretary DONLEY. I will just say that the legal community is aware of the differences between the two circuits and is assessing all that very carefully.

Dr. SNYDER. I think it is an example where you are inheriting this problem. It is a Congressional problem and a Constitutional problem. Thank you.

The CHAIRMAN. Thank the gentleman. Very quickly, before we call Mr. Thornberry. In last year's defense bill, we required a report on the C–27J basing strategy. What is the status of that required report?

Secretary DONLEY. Sir, I believe the report is on track. I don't think there are any—not off the top of my head in terms of when the report will be available to the committee, but we are proceeding with developing basing criteria for the remainder of the JCA fleet that has not yet been built out and that has not been already designated to particular locations. I believe we have 24 aircraft whose

bed-downs have already been announced, and we have 12 aircraft remaining, some yet to be built, that we need to find bases for. So we have a deliberate process underway to make those decisions going forward.

The CHAIRMAN. Thank you very much. Mr. Thornberry.

Mr. THORNBERRY. Thank you, Mr. Chairman.

General Schwartz, I want to ask about some kind of longer term trends that are affecting the traditional missions of the Air Force. One hears sometimes that with the increase in unmanned systems that we have too much pilot training capability and that the Air Force needs to shed some of that as we move towards more UAVs [Unmanned Aerial Vehicles] and whatnot. On the other hand, one also hears that flying training ranges are becoming more precious as time goes on, that we have closed or eliminated pilot training in the past and come to regret it and had to reconstitute it in the past.

I was just wondering how you see this capacity the Air Force has for pilot training and whether that should go up, go down, stay the same, what is the trend there?

General SCHWARTZ. First of all, Congressman, the notion that you have remotely piloted aircraft, your comment sort of implies that there is no or little training involved in qualifying those aviators. That certainly is not the case. Now we have run test cases, our so-called beta classes, to confirm whether they needed to be a full-up undergraduate pilot training and credentialed individual. And the evidence from the first two classes that are currently out at Creech is probably not. But there are adjustments that we need to make in the curriculum.

That is why we did the test, to assure that we—where we need to do more, where perhaps we did too much. But there will still be a substantial requirement for manned cockpits in our Air Force, certainly for the next 25 years, perhaps 50 years. And I do not see a need, or I do not see a trend which would suggest that we will reduce our undergraduate pilot training output.

Mr. THORNBERRY. On somewhat of a connected note, the information the staff has given us says that we currently have 6,800 Unmanned Aerial Vehicles. Most of them are the very small sorts of things. The Air Force has 600, it says, of the larger kind. But there has also been discussion before that somebody has got to be the traffic cop here as far as the acquisition and also the use of at least a portion of these UAVs. And the suggestion has been made that that is an appropriate role for the Air Force, but obviously you get pushback from other services. What is your view on this?

General SCHWARTZ. I think we respond to what the joint team requires. And I must tell you that I don't personally have a lot of time for theological debates over who should do what. The question is what is pragmatic, what is the least cost, the most effective way to perform a joint mission? And in most cases, this can be done through partnering.

However, I will give you an example of what the Navy and the Air Force are doing with respect to Global Hawk. We are going to use the same depot. We are going to use the same ground control station. We are going to use the same training pipeline. So here is an example where Global Hawk for the Navy has a unique mari-

time application. There are certain things that we have both in the intelligence and communications area on the Air Force side. We will do those things that make sense to again minimize cost and maximize effectiveness. But I do not think that we should overly focus on ownership. That doesn't take us to the right place.

Mr. THORNBERRY. Is there something that needs to happen in the system to encourage those sorts of working relationships?

General SCHWARTZ. Not having too much money.

Mr. THORNBERRY. Okay, thank you.

I yield back.

The CHAIRMAN. I thank the gentleman. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman.

Thank you, gentlemen, for being here and testifying and for your work on behalf of our country.

I want to ask about the alternate engine for F–35, which is going to be a major bone of contention, apparently, between the DOD and Congress. I am newly now the chairman of the Air and Land Subcommittee. And, obviously, I have dealt with this issue before, but it has become vastly more important and more in my purview.

I am just frankly puzzled, having poured over a lot of documents in the last few weeks. I am puzzled about the DOD position on this. I am puzzled that they have the position they have, and I am really puzzled that there would be a veto threat issued by the Secretary of Defense over this issue. You are well aware of the history. I won't walk through it in great detail except to say for 10 years, I guess for 11 years inconclusive, DOD supported this program, funded it, and moved it forward. Then for the last four years, we in Congress have continued it after DOD backed off of it.

But if you are going to get to the point where basically 95 percent of the Air Force's fighter attack airplanes are F–35s, history shows us that relying on one engine puts you in a very, very bad spot.

We have put 14 to 15 years into developing the alternative. It certainly is having no more problems than the main engine in its development. I am wondering if you can articulate for me the argument for why DOD is so adamantly opposed to that.

One final point, the cost is debatable at this point given all of the money that we have put into it. I think the most objective way to look at it is it is pretty much a wash what it would cost to build it versus the benefits of competition. Worst case scenario, maybe it is an extra billion or so on top of this program, all of that for the major battle we are looking at, we have asked Secretary Gates, and to this point, I have not gotten a satisfactory answer that articulates why, why is that your position.

I should ask, first of all, if it is your position. Certainly it is the DOD's position. Could you give this committee some indication of what on earth the argument is for why you are so adamantly opposed to doing this?

Secretary DONLEY. A couple of issues, Mr. Smith.

First of all, we do support the Secretary's view that the Department should not be pursuing the second engine. I will say up front, this has been one of the most difficult issues that we have wrestled with. So we have looked at the analysis on this from all sides for

many, many months. And in some respects it can be regarded as a close call.

I think I would summarize it this way: It is a close enough call that we cannot see right now the benefits of a considerable, what we think is still a considerable remaining investment that would have to be made in a second engine, the logistics tail that goes with it, all of the preproduction work, the remaining development which may be understated in some quarters, the firm costs that are associated with those activities against the soft savings that might be out there in the future. We are just—it just looks too cloudy to us, and that is the basic rationale that I think we have come down on.

We did receive in the Air Force the letter that you all sent to Secretary Gates on this subject. So the Department is gathering up all of the data and the analysis that we have had in front of us the last several months, and we are putting that back in a communication that will come back to the committee on that subject very soon.

I would only add one other item on this. When we have challenges in the F–35 program and in making sure that program is adequately funded going forward, this is another rock on top of the F–35 program, an additional item.

Mr. SMITH. Two quick points.

I don't think the savings are particularly soft. The DOD has made a very strong case in many other programs about the benefits of competition and the way it can motivate a contractor, without question.

Second, just to be in a position, and we learned this with the F–15, if you have one engine and something goes wrong with that engine, you shut down the whole operation and 95 percent of our fleet is grounded because of one engine, that seems like a pretty compelling argument to me.

My last point, I would love to see the analysis that you are relying on. That is another frustration for us. We have heard a lot about this analysis. The only report we have seen out there is a 2008 report that comes down on the other side of this. If you have some independent study, some analysis, we would love to see it.

Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman.

Mr. Jones.

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

Gentlemen, thank you for being with us.

Mr. Secretary, I listened to your comments, and this is going to lead to my question, I believe this is what you said from my notes: "Must prevail in war; prepare to defeat adversaries present and future."

I look at this country which in so much financial trouble, and I realize that is why this budget situation is the way it is and that is not your doing but it is what you have inherited. And I look at the fact that we owe the Chinese. The Chinese maybe own America. I don't know which now. I have the pleasure of having Seymour Johnson Air Force base in my district, and we are proud of the Marines and Air Force in our district.

I have occasion over the last few years to ask for briefings, not classified. But I am very interested in the fact, as one of my col-

leagues said earlier, we have a Constitutional responsibility that we have a strong military. This brings me to my question: The Chinese, I have been told, this was not from those meetings, I have read it, I think, that the Chinese are putting the largest percentage of their GDP [Gross Domestic Product] into military investments, especially Air Force and Navy. It is my understanding that the Chinese are buying one of the most sophisticated fighters being made by Russia. I think it is the SU series.

At what point would you say to this committee, you or General Schwartz, that we are in a critical situation of losing our supremacy? That the Chinese are at a point where if we don't acknowledge and make major investments, that their fighter force, not because of our manpower but because of our equipment, they will surpass what we have?

Secretary DONLEY. Sir, we do track the developments of the Chinese military and other militaries around the world. I do think we have the appropriate balance in our current program to cover both near-term and long-term threats.

As I indicated, just as one example, the F–35 is the largest program in the Department of Defense. The United States is, I think, well-positioned on fifth generation fighter capabilities in comparison to other militaries around the world.

Are we the only ones that know something about low observable technologies? No, we are not the only ones. Are there other countries developing these technologies? Yes, there are. But I think, I am fairly confident in terms of where we stand technology-wise and fifth generation capabilities, and that is only one example of longer term, general force improvements that we are making that I think should help us address potential future threats.

We still have the bulk of our resources in the Department of Defense, though we have much developed and much improved capabilities at the lower end of the conflict spectrum which you saw in Iraq, and you are seeing today in Afghanistan.

Mr. JONES. Mr. Secretary, I have about a minute left so let me interrupt. I want to ask General Schwartz, as we are sitting here today, if the budget situation continues and you are told you cannot have a one percent modest growth, five to ten years down the road, knowing what the Chinese are spending in their Air Force and what they are buying as it relates to their fighters, will we be in a situation, General Schwartz, where we are in a situation where we might not be where we need to be?

General SCHWARTZ. It is my professional opinion, as we stated earlier, a sustained modest growth profile for the Department is essential, certainly with respect to that case and others. Clearly, the Department will need to be resourced to modernize and to recapitalize in order to have the right kind of force structure.

My only caution to you, sir, is I don't think we should look at binary sort of trades. In other words, fighter versus fighters, necessarily. I think one needs to look at this in a more holistic fashion.

Mr. JONES. Thank you, sir. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you. The gentlelady from California, Mrs. Davis.

Mrs. DAVIS. General, you expressed concern in talking about recruiting and retention, that we are certain that we are able to re-

cruit the most capable individuals, both men and women, to support the mission. And yet we know in this economy that our budget managers have reduced costs of recruiting and also that bonuses have been reduced. Are you able to reprogram that quickly if you find that there is a need to change that manpower strength in some specific areas? You mentioned particularly among medical professionals; but overall, how can we do that? We would love to see the economy improve, but it is in some ways helping the services.

General SCHWARTZ. Ma'am, we have about $685.0 million in bonuses and retention incentives in the program for 2011. That is a substantial amount of money, to be sure. We are fairly agile in applying it to where it will produce the best effect.

It is always difficult to reduce incentives and reduce bonuses, but we have to do that in order to be scrupulous about this. And so we review this on a continuing basis. If we see adverse trends developing, we either take it below threshold or come back up to you and ask for reprogramming authority to address the need.

Mrs. DAVIS. Mr. Secretary, is there any one area that gives you the greatest concern? You mentioned the medical profession.

Secretary DONLEY. As General Schwartz alluded to, we have a number of stressed career fields: contracting, explosive ordnance disposal, our terminal air controllers, specialized career fields that we do have to watch very carefully.

I would say, as you alluded to, ma'am, the economy has actually been good for the military in the short-term and our immediate challenge actually is that we are carrying probably more airmen than we thought we would be carrying at this time last year. So we are actually over strength and are trying to manage that down in moderate numbers in the months ahead. But we may need to come back with a reprogramming to increase funding for military personnel because we are actually carrying a few more airmen than we thought that we would be.

Mrs. DAVIS. Thank you. You mentioned the year of the family and how important that is. And yet there is a program that has been applauded out in the communities, certainly amongst spouses, "My Career Advancement Account," which NPR [National Public Radio] reported today that they basically put a hold, a freeze on that scholarship program. I don't know if that is something that you have been apprised of. I think what is interesting to me is they have stopped it while they are doing an assessment whereas I think there are other programs that we have where we don't necessarily do that. It may be very appropriate to do the assessment, but I don't know if it is appropriate to freeze the program for those people who were anticipating that they could benefit from it. If that is not something that you are familiar with, I hope you can take a look at it. Any comment?

General SCHWARTZ. Ma'am, it is as has been reported. If you will allow us to take that for the record, we will get back to you.

[The information referred to can be found in the Appendix beginning on page 73.]

Mrs. DAVIS. Thank you.

On Don't Ask, Don't Tell that has been brought up several times this morning, and I do know that we have a hearing on March 3.

The purpose of that is to examine the implementation process. That is, is the sense that is really where we want to try to enlist the help and the support of the services to try and help us better understand that process. Is that your understanding, that it is more about an implementation process than necessarily a debate on the issue itself? And how do you anticipate, what help and support would you be giving to try and make available the kinds of discussions that certainly will need to be ensuing within the Air Force, as well as the other services?

General SCHWARTZ. Ma'am, I don't know what the purpose of the hearing is. I don't want to insert myself into that. That is clearly your reign. What I can assure you is that I personally will participate in the Secretary of Defense's study effort thoroughly.

Mrs. DAVIS. Can I just ask, is this the kind of deliberate discussion that you think is appropriate?

General SCHWARTZ. Yes, ma'am.

Mrs. DAVIS. Thank you.

The CHAIRMAN. Thank you. Mr. Wilson from South Carolina.

Mr. WILSON. Thank you, Mr. Chairman. Thank you, General and Secretary for being here today. I particularly appreciate the Air Force. My dad served in the Flying Tigers. I am the son of an Air Force veteran. I am a veteran myself, Army National Guard, and I have four sons serving in the military. But I am particularly grateful that I have a nephew who is serving in Iraq with the Air Force. So thank you from our family for your service.

There have been many rumors associated with the noise impact of F–35 operations on local base communities. Mr. Secretary, I have been advised that the noise of the F–35 is in the same neighborhood as the aircraft that it replaces, such as the F–16, 18, and F–15E. With regard to the Joint Strike Fighter [JSF] program, how will encroachment and increased noise associated with the fighters impact the decision to base these aviation assets? This doesn't apply to you, but I am particularly interested in F–35s being located at Buford Marine Air Station and the joint air base at McIntyre in South Carolina.

Secretary DONLEY. Sir, noise has been an issue. But I think the more refined analysis represents the Department's latest work on this is that the noise levels from F–35 are only slightly above the current aircraft. That is my understanding at this point.

Mr. WILSON. And I do appreciate the sound of freedom. I have North Airfield in the district that I represent, and the people of that community really enjoy when you do your touch and gos.

Secretary Donley, provisions of the fiscal year 2010 defense authorization bill prohibit the Department of Defense from retiring C–5A aircraft until 90 days after the Department conducts an operational assessment of the modification of the C–5A to the reliability enhancement and reengining program configuration, as well as providing a number of certifications concerning cost benefits and the risk of the C–5A retirement. Will the operational assessment required by law be completed and will you provide the required certifications to Congress in time for us to reconsider the retirement restrictions in our markup of this year's defense authorization bill which is currently scheduled for May?

General SCHWARTZ. The OT&E, Operational Test and Evaluation on the C–5 reengining program is complete. The report will be available on or about the 15th of March. We intend to offer the appropriate certifications through the Secretary's office that indicates that it is a viable, effective program and one that should allow us, as we spoke of earlier, to begin to act on retiring legacy A model aircraft that will not be modified.

Mr. WILSON. I had the privilege of growing up near Charleston Air Force base. I remember when the first C–5A landed, and Chairman Mendel Rivers, Mr. Chairman, was there to welcome the aircraft.

General Schwartz, the engine competitions for F–16 saved money, improved engine performance, reliability, and contractor responsiveness. Today the F–16 program continues to operate with two engines. Why wouldn't a similar program be applicable to the F–35?

General SCHWARTZ. Because we are 20 years, 30 years later in technological progress on engine design and production. Fundamentally, and just to, again, round out Secretary Donley's answer earlier, there are a couple of issues with respect to alternate engine that I just offer for your consideration. One is if this result, if having more engines results in less F–35s, that is not a good scenario for the Air Force or the Department of Defense.

Secondly, the reality is that the F–22 and the F/A–18E/F are single-engine airplanes, and there is no dispute about that. It is because we collectively in the defense community, I think, have become comfortable with the reliability and so on of those respective engines, one of which is the predecessor to the F–35.

Lastly, a concern that I have is the reality is the alternate engine is not for anybody else but the Air Force. The Navy is not going to operate an alternate engine aboard ship. Our European partners are not going to operate two engines. You are talking about focusing this on your Air Force, which is problematic in my view.

Mr. WILSON. Thank you very much.

The CHAIRMAN. Thank you. Mr. Marshall.

Mr. MARSHALL. Thank you, Mr. Chairman. You caught me by surprise.

Thank you both for your service and your leadership. I think you do a great job for our Air Force.

I was having dinner with former Under Secretary Ray DuBois a week or two ago, and he brought up the tanker and asked, "Why don't we move forward with taking two bids, producing two tankers, do small, relatively small quantities of the two, they come online faster, and then we would see which one we liked the most and could make decisions concerning future buys based on that?" Could you quickly respond to Secretary DuBois's thought?

Secretary DONLEY. We have addressed this over a couple of years now. The Department's conclusion is that this would be an expensive way to proceed. We would rather not have a split buy or dual buy in this circumstance. We do plan to award, currently our plan is to award the RFP [Request for Proposals] to the best offer after the evaluation is done.

One concern with that approach which I will lay on the table is that the Department's estimates are that we will be probably buy-

ing 15 airplanes for over a decade actually to get to 179 aircraft from this buy. If we go forward with two lines, the minimum economic order for each line would probably be about 12 aircraft. It would be very inefficient to do that, and it would bump the annual buy from 15 to 24 aircraft and that is a big bump in our budget and it takes a big lump of dollars that we would have focused on other Air Force programs, puts it on the tanker. I understand the operational and sort of the business advantage of buying more, faster and get them cheaper, et cetera, but we have to manage this procurement in the context of all other things that the Air Force is doing and getting up to 24 airplanes each year for a number of years is a hard thing for us to do.

Mr. MARSHALL. Thank you, Mr. Secretary.

The alternate engine, again, we are talking about split buy, basically, and I don't think it is arguable there are significant risk avoidance advantages to doing that in the long run. History has shown us that the question is cost. The 2007 cost analysis improvement group estimated that there would be a $1.2 billion in cost on a present value basis, and $2.2 billion in savings on a then-year basis. What that typically means is, as you would expect, the costs are up front, the savings are toward the rear.

That was done in 2007. We have spent more money, and that is current costs we have incurred. My assumption is, as we said in the letter, a good chance is that both those numbers are now positive based on the assumptions made by that 2007 study. It seems to me the only way that can change is if somebody changes the assumptions. So it would be very helpful to the committee if whenever you get your materials to us, you would say the 2007 group was making this assumption or that assumption, we have changed that assumption and that's why we come up with different numbers because that is the only way that the numbers really change unless you conclude that they just made a math mistake. And that would be very helpful to us. We really are troubled by this threat of a veto over a program that we think benefits in the long-run national security and net, based on the evidence we have, is a savings to go ahead and do it, as opposed to a cost.

Finally, Chief, in your response to Mr. McKeon on Don't Ask, Don't Tell, you said it is probably not something we should be considering now given our OPTEMPO [operational tempo]. I agree with that view. And you said assuming we do consider it and we make some changes, and your last statement was something to the effect that one standard of combat will continue to apply to all airmen. Could you please elaborate what you meant by that?

General SCHWARTZ. Sir, I was just indicating that our standard of conduct will apply to all airmen. That is what I would expect, and I think that is what you should expect. So we will expect performance. Should the law change, we will expect performance and conduct consistent with our standards, and we will handle it accordingly.

Mr. MARSHALL. Thank you, Mr. Chairman.

The CHAIRMAN. I thank the gentleman. Mr. Bishop.

Mr. BISHOP. Thank you, Mr. Chairman.

Gentlemen, I have good and bad. Let me do the good first. General, we spoke on the phone a while ago about the extended use

lease problems at Falcon Hill and you said you would fix it. I want to thank you for doing that. You did. You orchestrated a situation where the people went out there, they saw those particular problems for moving forward, and I just want to thank you very much for following through on that issue. I think it is very positive. And just keep the JAG [Judge Advocate General's] attorneys away from the issue in the future.

Now for the negative part, and it deals with the warm line sustainment program. Minuteman III now has to be maintained to 2030. It is our only program of record. I noticed in the budget for fiscal year 2011, you have $44.0 million for the Minuteman III warm line, of which $5.0 million is dedicated to unspecified government costs and overhead, so you have $39 million to buy three motor sets.

Next year in the 2012, it is down to $34 million, and in the 2013 budget, there is nothing. I put that in contrast. I am not sure you can actually build three motor sets with that amount of money. But the Navy, for example, has 12 motor sets a year that they do to keep their warm line going for their D–5, and the industry has simply said they need six as a minimum to maintain it.

Now last year when your superiors cancelled KEI [Kinetic Energy Interceptor] and stopped the ground base and had no followup on ICBM [intercontinental ballistic missile], it made a major dent in the industrial base. And obviously AFMC [Air Force Materiel Command] has simply said there is no in-house capability to sustain these, so I have three questions. The first one is, quite frankly, how did you come up with three booster motors as the adequate element to sustain the military base? Is this simply another budget-driven exercise that does not face the reality coming from the industry?

Number two, you sent over a Defense Department report to Congress on the solid-rocket motor industrial base in June of last year. I appreciate it. It was a good report. But it said delays in NASA's [National Aeronautics and Space Administration] Ares program would have a significant negative impact on the industrial base, specifically materiel suppliers for the military.

Now, in light of the decision to cancel Ares totally, if delay was bad, I am thinking canceling would have to be bad/bad. In light of that decision, are you going to rethink your program as to what you are putting in for the solid-rocket motor industrial base and the funding levels that would be there?

And finally, my third one is why doesn't the Air Force simply commit to a long-range Minuteman III sustainment program in the out-years, and isn't such a commitment now even more necessary, especially with what may happen in the space exploration program as well?

Secretary DONLEY. Mr. Bishop, what I would like to do is take the details of your question-for-the-record and so we can get back on each point. But I will say that we recognize the decisions made on Ares and on the constellation program in general in NASA, and we have a challenge on the solid-rocket motor industrial base and on the booster industrial base, period.

So we recognize not just the Minuteman challenge going forward, but a broader industrial base issue which we are going to have to

wrestle with this year. So we do not, right now, have a long-term solution to that right now in hand.

[The information referred to can be found in the Appendix beginning on page 73.]

Mr. BISHOP. I appreciate that. I think that is the substance to all three of those questions that were there. But obviously, three motor sets, I don't think, fits the need and especially with the budget that is declining to nothing over the next three years, that is not a long-range solution.

I would appreciate if you would rethink those and get back with me later. Thank you for your time and for being here.

By the way, Hill doesn't have a problem with sound encroachments for the F–35.

The CHAIRMAN. Thank you. Mr. Courtney, please.

Mr. COURTNEY. Thank you, Mr. Chairman.

Thank you both your testimony this morning.

I want to start off with aftermath of the F–22 decision last year which was regarding spare engines. It is my understanding that the Air Force has a formula for calculating how many spare engines would be needed for any program, and we are at a point where it appears there are more spares needed for the F–22 than available. And given the fact that this production line is coming to an end date, obviously there would be extra costs for restarting if we had to go that route. Can you comment on that?

General SCHWARTZ. We currently have 54 spare engines in inventory, for a requirement of 54 that will grow to 65 as we round out production, and our intent is to go to 65. So there will be an additional 11 or so engines procured for the spare inventory.

Mr. COURTNEY. Thank you.

I want to again go back to the alternate engine discussion which has been going on. General, again, you made the point, which I think is sometimes overlooked, that sole source engines is not some unprecedented deviation from past practice. The F/A–18 is an example which you cited. We build Sikorsky helicopters in Connecticut, and thousands have been built without a hitch. So I guess in terms of going forward with the sole engine with the F–35, do you feel confident where we are right now with the engine that has been awarded that you will be able to control costs and provide again an adequate system for the needs?

General SCHWARTZ. Based on what I know now and the analysis that I have seen to date, I think it is a manageable risk given the other demands we have, and again, my primary concern that we don't get engine production out in front of airplane production.

Mr. COURTNEY. Really, that is at some point in a tight budget the trade-off that we are going to be stuck with in terms of what the choices are that are involved. Secretary Gates again reiterated recommendation of a veto if we do not adopt cancellation of the alternate engine program. I think the flip side of that is we have to take from some other parts of your budget or the defense budget to continue going down that path. I look forward to your response to the letter which has been requested.

Real quick on the C–27 program which the Air and National Guard in Connecticut is certainly watching closely. I wonder if you

can indicate whether the Air Force remains committed to the full buy of 38 C–27s over the next 5 years?

General SCHWARTZ. Yes, we are, sir, to 38.

Mr. COURTNEY. Previous statements have said that the 38 would be looked upon as a floor and not the ceiling for the program. Is that still the general thinking?

General SCHWARTZ. At the moment, we are not looking at going above 38. That was the assessment through this program build. So I think 38 is probably a good, comfortable number for all of us.

Mr. COURTNEY. Thank you. I yield back, Mr. Chairman.

The CHAIRMAN. Thank you. Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

Gentlemen, thank you for being here and thank you for your service.

I have three quick comments, and then a question about AFIT, the Air Force Institute of Technology, and then I would like to get your thoughts on the Airborne Laser [ABL].

The first three comments, Wright-Patterson Air Force Base is in my district. I will be submitting to you a question for the record concerning the 445th airlift wing. There had been a previous commitment that had been made to the base concerning the issue of the C–5s and the C–17s. I will be looking for you to reaffirm that earlier commitment that has been made to the base, and we will be sending it in your direction.

General SCHWARTZ. May I say one thing, sir.

One thing that Secretary Donley and I have tried hard to do is not make promises we can't keep. So we might not respond immediately to that. If we say yes, we mean yes.

Mr. TURNER. I appreciate that. Actually, I am looking for you to keep a promise that has been made, and I hope to have your evaluation and review of that promise.

With respect to NASIC [National Air and Space Intelligence Center], we spoke about the correspondence that I sent to you. I am very concerned that there is a pending issue that could diminish our intelligence capability, and I look forward to your response there.

Also with respect to the civilian conversion from contractor personnel issue that is ongoing in the Air Force, I am continuing to hear a number of complaints over the process of activities that appear to be inappropriate. We tried to address this in the committee with some report language in the last National Defense Authorization Act [NDAA].

I will be getting back to you with some specifics as we prepare for the next NDAA, and I would like to hear your thoughts on how other communities may be experiencing this.

My two questions, we had a hearing here about the nuclear enterprise and the changes and concerns that we have there. We continue to look at issues such as cyber and computer science issues. The Air Force Institute of Technology [AFIT], as you know, happens to excel in the issue of nuclear enterprise and also cyber and war-gaming and computer science programs. I would be interested in your thoughts on the issue of how you see the Air Force Institute of Technology, AFIT, may be able to play a greater role as you look to your needs in that area.

The second is the Airborne Laser. We recently had a success I think we should all celebrate with respect to the February 11 test of the Airborne Laser test bed with the missile shoot-down. The air force research labs played a key role in the early technology development. This test which has been many years in the making demonstrated the viability of directed energy [DE] technology and the potential capability of an Airborne Laser missile defense system.

Now we all know that funding for the Airborne Laser Test Bed has sharply declined with the Obama Administration's shift in missile defense policy. I hope this successful test renews interest in directed energy technology. With increased DOD investment, there is great potential for further innovation, technology maturation, and development of a concrete strategy that transitions Airborne Laser Test Bed capabilities from the lab to the field. I would love your thoughts and your talk about the Air Force and its success here and the potential for future applications in our national defense. This is one that has taken much criticism but had quite a great success. I am looking forward to your thoughts there.

General SCHWARTZ. I will talk about ABL. It was an achievement. It was a magnificent technical achievement. But the reality, Congressman Turner, is this does not reflect something that is operationally viable.

Mr. TURNER. My question is about the next level of innovation. Obviously, this is an accomplishment. It is not can we replicate this over and over again. We are looking for some vision from the Air Force.

General SCHWARTZ. And that is in the area of solid-state, not chemical-based lasers. That is the queen of the realm, sir.

Secretary DONLEY. Just to amplify, the Air Force does have a directed energy program. It was pretty well-funded. I was briefed on it just a month ago. To foot-stomp this point, the Airborne Laser has been a tremendously successful program, but it is very expensive and it is not necessarily representative of the future of the technology. We are looking for lots of potential directed energy applications. So one of our tasks going forward is to figure out where the directed energy program is going at a strategic level, both in terms of the technology and the mission sets against which we intend to put resources. But we have a robust DE program in the Air Force. It's a good one.

Mr. TURNER. And AFIT, your thoughts on AFIT?

Secretary DONLEY. Just quickly, AFIT is getting a lot of our attention in the growth of our acquisition workforce. The chief and I were briefed on the status of the improvements in our acquisition Air Force, the growth of the civilian and a little bit on the military side, just a couple of days ago. So we have increased the numbers of seats and courses available to that acquisition workforce that are sponsored by and taught through the AFIT system. So it is an important part of the fabric of our research and research community.

The CHAIRMAN. Before I call on Ms. Giffords, you have on page 17 of the prepared remarks the retirement of 17 C–5As. What is the status of that, and what is your request this year?

General SCHWARTZ. Sir, what we will do is provide the required certifications of tests on the C–5M, the reengined aircraft that is required. The Secretary of Defense also needs to make certifi-

cations that he believes it is acceptable to retire legacy A model aircraft. When that occurs, we intend to execute the 90-day waiting period and begin retirement of those aircraft.

The CHAIRMAN. Do you have sufficient C–17s as we speak?

General SCHWARTZ. As you are aware, we are above the required number of aircraft by at least 20, probably more. And so it is our view to get down to the proper level, we are in good shape in that regard.

The CHAIRMAN. Thank you.

Ms. Giffords.

Ms. GIFFORDS. Thank you, Mr. Chairman.

Good morning Secretary Donley and General Schwartz, and I am pleased to have you before us today.

Normally in the past when given this opportunity, I have chosen to spend some time talking about the fighter gap issue and what that means to our strategic readiness. But instead, I would like to talk about some of the scoping hearings that are coming before us in southern Arizona. As you know, the 152nd International Fighter Wing has been put on the list as a potential site to host the new Joint Strike Fighter, the F–35. And we are willing and ready to accept as many as three training squadrons in Tucson. I am very excited about the prospect of having the F–35 in southern Arizona, but my constituents still have numerous questions specifically addressing noise levels and flight patterns. I was hoping to talk a little bit about that today.

On February 2, I sent both of you a letter asking for a copy of some studies that were conducted at Edwards Air Force base to gauge the noise levels of the F–35, and I also asked for eight specific data sets that I believe must be released to the communities being considered around the country, not just in Arizona, these communities that are being considered as F–35 basing locations before any final decisions are made.

I received back two sets of charts that I believe are conclusive, and I would like to put them up on the screen now. We have the first one. It is labeled "Measured Worst Case Aircraft Sounds Levels at 50 Feet." I was hoping you could explain what this chart indicates both for aircraft at military power and at full afterburner?

General SCHWARTZ. Ma'am, having not reviewed that chart, I would prefer to offer you a considered response rather than one off the cuff.

Ms. GIFFORDS. Okay.

The second chart I was provided with is entitled Predicted Sound Levels at 1,000 Foot Level Flight, and I was hoping that we could also get some feedback which indicates for aircraft flying at minimum power and then at military power what this is going to mean for communities?

General SCHWARTZ. Again, ma'am, I am disappointed if you didn't get a narrative to go along with these charts. If we didn't we failed you and allow us to remedy that situation.

Ms. GIFFORDS. Thank you, Mr. Secretary. What we really need to do is get this data out to the communities and make sure our communities understand how these numbers compare to other real world factors. For example, according to the National Institutes of Health [NIH], a lawn mower creates about 90 decibels and an am-

bulance siren creates 120 decibels, and so we need to make sure that the communities understand fully what the F–35 means to them. And again, I think also, particularly those of us in southern Arizona that have experience what the F–16 and the block 60 F–16s that have flown out of southern Arizona, and also the A–10 and we host Operation Snowbird as well at Davis Monmouth Air Force base, these are the noises that the community has experience with.

We are looking forward to the opportunity of having the F–35 in southern Arizona, but as these hearings come before us, we want to make sure that the community, and rightfully so, has full access to the correct information. So thank you for your consideration. I look forward to hearing back from you.

The CHAIRMAN. I thank the gentlelady.

Mr. Rogers.

Mr. ROGERS. Thank you, Mr. Chairman. I want to thank both of our witnesses for being here today.

As a backdrop, I am very unhappy with Secretary Gates and his decision to not to go forward with the Air Force's selection of the tanker that Northrop Grumman and EADS came up with and you selected after a full, fair, and open competition. I think he did a disservice to the warfighter, and particularly to the Air Force who picked the tanker that they wanted. Having said that, some of my colleagues don't have a dog in that fight, but I do since it was going to be built in Alabama. I want to talk a little about where we are with that.

My recollection from the testimony here with the GAO [Government Accountability Office] of the protested areas of discontent by Boeing, only six merited GAO acknowledging those could have made a difference in the selection, but they couldn't say that they did. Rather than going back and just remedying those six areas, tightening the language, I understand from what I have seen, the initial RFP for comment, and it completely is one-sided in my view, which is why I am very happy with what Senator Shelby is doing in the other Chamber.

I understand there is the public comment period, and you are ready to come forward, do you see dramatic changes in the RFP from the one being offered for public comment? Because from what I understand, Northrop is not even going to bid if that is the case.

Secretary DONLEY. Sir, we will be prepared actually tomorrow to roll out the RFP. I believe you have been invited, if you have not heard already, to a series of briefings tomorrow that are planned. The Deputy Secretary and Dr. Carter, the Under Secretary and myself, will be over here briefing Members on that. So I think I would withhold comment on KC–X today and let that be tomorrow's issue, if that is okay.

Mr. ROGERS. Do you think in your opinion, I am not asking for Secretary Gates' opinion, I am not really interested in his opinion, in your opinion, will this be a fair and open competition? Will the RFP, will it solicit competition?

Secretary DONLEY. Absolutely. We believe both offerors have a chance to win the competition. We want a competition, and we disagree with the view that the draft RFP has been slanted in any particular direction. We do take issue with that.

Mr. ROGERS. If that is the case, why would you deviate from the initial RFP which was bid and you selected the airplane or the tanker you wanted, why would you change any more than just those areas of disagreement where the GAO acknowledged there was meritorious dispute?

Secretary DONLEY. I believe the overall message from the GAO assessment was that yes, there were specific areas that they took issue with. But overall, I think the message was that there was too much imprecision and too much subjectivity that could not be conveyed to the offerors in terms of how the decisions and how the evaluation would be made.

So we took away from that the need to tighten up our description of what the required capabilities were and how the evaluation would be conducted and to lock down those details, to be as open and transparent and as clear as we possibly could be. And that is the source really of the draft that has been on the street.

Mr. ROGERS. Well, my concern is the tightening down of that language has basically guaranteed Boeing to get this plane.

Secretary DONLEY. We do take issue with that, sir, but I understand your view.

Mr. ROGERS. You made the reference earlier in response to my colleague from Georgia's question about the dual procurement. I understand you are operating on the assumption that the dual procurement would be more expensive. If it could be proven that it would not, would that be an avenue that you would pursue?

Secretary DONLEY. Sir, I think we have analyzed this from several different sides over the last year. We are always open to suggestions and constructive comment on how we do our work. We think that we have addressed this and concluded that that would not be an effective and efficient way to proceed.

Mr. ROGERS. Thank you very much for your responses. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much. Mr. Kissell.

Mr. KISSELL. Thank you, Mr. Chairman. And thank you, gentlemen, for being here today.

General, going to a narrow scope here, I am from North Carolina, and we had put language in the last Defense Authorization Act that you were supposed to get back to this committee within a certain amount of time discussing Pope Air Force base and its relationship with Fort Bragg. The growth at Fort Bragg, there will be 34 flag officers on base. FORSCOM [U.S. Army Forces Command], the 18th Corps, their missions require the ability to get to places in a hurry, requiring an immense amount of planning. The language is along the lines, is there sufficient Air Force officer level to be able to communicate and be able to present the position of the Air Force effectively with all of the other officers that are there, and that report is due March 1. So we are looking forward to that information, sir.

Mr. Secretary, one of the things that has come out of the discussion today, and nothing new in that regard, is concern about deployment of the F–35. You mentioned level of concurrency as a level of concern that has delayed the program. I wonder if you can elaborate on some examples of this issue and how it has affected the deployment of the F–35?

Secretary DONLEY. Well, the issue, sir, is not uncommon to any other aircraft or major production program of any kind. So once the production line has been facilitized and begins to build up to produce test assets, it is inefficient to stop the line while you wait for the results of the test because the test can take a year, the test can take two years, and if you do not support the production line with continued aircraft production, it goes cold and then you have to pay the cost of starting it up again. So this is a situation common to just about every production program of consequence that you might think of.

In the case of the F–35, there was a lot of concurrency built in so development was intended to extend for a particular period of time while we started production. I think what has happened in this case is that concurrency was just unsustainable. The test program has been delayed, and the view was we just need to have more hours on the test program before we get to significant ramps in production. We are not eliminating concurrency in the restructured program.

The proposal that you have in front of you is for 22 production aircraft in fiscal year 2011. We think that is prudent. It has been shaved from last year's estimate of what we thought we were going to ask you for in 2011, so we have cut down that ramp but we do need to proceed with production, but we are adding money back into development program, to speed up, to add test aircraft to get further down the test program before we begin to ramp up production at truly significant levels.

Mr. KISSELL. Beyond the engine, is there one or two areas of this development that are proportionately more challenging than others?

Secretary DONLEY. Just a couple of points. This is the biggest and most complex procurement program the Department has ever undertaken. So we have the carrier variant and we have the short takeoff and landing variant, and the conventional all being developed at the same time. And we have our international partners and their needs completely integrated into the program from the very beginning.

So we have truly a complex, very complex joint program and international program. So it has been a big challenge. Again with very advanced technology. So it is a huge and complex program. We should not lose sight of that.

Mr. KISSELL. The proportion that you just mentioned of this program, how important it is that obviously brings about so much of the need to get it going, and I am just wondering what kind of time frame are we looking at to have deployable, meaningful numbers of planes in the air?

General SCHWARTZ. For the Air Force, I can only speak for the Air Force, that will be late in calendar year 2015. We will have training aircraft in advance of that.

Mr. KISSELL. Thank you, sir.

Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

Our Nation's dependence on and demand for space assets have grown exponentially. At the same time our potential adversaries

demonstrate capabilities that make our space assets increasingly vulnerable. One example of this was China's shootdown of its own satellite in January of 2007. With these factors in mind, our demand for and dependence on space and our adversaries' asymmetric means to deny those capabilities, in view of that, why does the current budget cut the resourcing for operational response of space by 24 percent? And this follows a huge reduction in the previous fiscal year which equals a 2-year cut of 59 percent? Operational response of space is intended to be responsive to a joint force commander's battlefield needs and surge capability and can also serve to replenish our space capabilities given natural events or attack.

So to repeat, how, when demand is growing and our threats are expanding, can we justify a cut this year of 24 percent to this program?

Secretary DONLEY. Sir, I would like to confirm the numbers for the record with you. But ORS [Operationally Responsive Space] remains a priority program for us. We are spending about nine percent of our Air Force resources on space.

That is only exceeded by the mobility and the global precision strike missionaries. Mobility really reflects the KC–X investments we are making and the size of our mobility forces. The global precision attack represents the F–35, which is our biggest, among others, but it is our biggest program. But behind that we have a whole slew of space programs that are very important to our Air Force and to our joint warfighter. We do have priority funding on our ORS right now to get a capability that is in place by the end of this calendar year.

So let me circle back with you on the details of ORS funding.

[The information referred to can be found in the Appendix beginning on page 74.]

Mr. LAMBORN. General, do you have anything to add on that?

General SCHWARTZ. Just two things. One is the ORS is one approach to providing resilience in space. Another approach, of course, is being able to discern whether our platforms on orbit are at risk, are being threatened; and if they are, by whom. And this is the other part of it, the space situational awareness initiatives which are appropriately funded, because it is my personal view that you cannot deter if you cannot attribute.

Mr. LAMBORN. Mr. Secretary, I am glad to hear that you are saying this remains a priority, because when I look at the numbers, 2009 it was 228 million, 2010 was 124, and then the projected budget for 2011 is 94. So from 228 to 94 causes me concern.

Changing gears here, General, two years ago the Air Force predicted fighter and attack aircraft shortfalls beginning in fiscal year 2017 and rising to an 800 aircraft shortfall by 2024. Is the Air Force still predicting shortfalls in its fighter and attack aircraft inventory?

General SCHWARTZ. Certainly not at that level, and there are a couple of reasons for that. One is that the total number of aircraft that are required is somewhat less than what was the top line several years back; 2,200 is now 2,024. Secondly, that initial analysis was done based on a F–35 production rate of 48 aircraft vice 80, and we do believe that once we break out of the development phase

for the F–35 that we will make 80, and we will be trying to even push that higher. And a third aspect of this is that we have looked, and, as the Secretary suggested, that one thing that was not considered then was the ability to make modest renovations on aircraft to extend their service life until the F–35 becomes available in numbers.

Mr. LAMBORN. You are able to keep going, although I can't.

The CHAIRMAN. You can complete the answer.

General SCHWARTZ. And so the point is, sir, that at most, a so-called deficit is less than 200 aircraft, and again this is in my view within the realm of the manageable, depending on what we do to renovate existing airplanes.

The CHAIRMAN. I thank the gentleman. Mr. Heinrich.

Mr. HEINRICH. Thank you, Mr. Chairman.

Gentlemen, thank you for being here today. I want to start off just by thanking Representative Lamborn and reiterating his concern over the ORS program. I think it is a game changer for us in many ways in terms of doing more with less. And I am not sure that the cuts in that program are going to serve us over the long run in terms of reducing or increasing our ability to do more with less financial resources.

Changing gears, I know that we all know there have been some serious incidents in the past, particularly 2006 and 2007, regarding the mishandling of nuclear weapons materials. And I remember back in 2008, the Schlesinger task force found that there had been an "unambiguous, dramatic, and unacceptable decline in the Air Force's commitment to perform the nuclear mission." Since then you have made the reinvigoration of the Air Force nuclear enterprise your highest priority, and I want to commend you on those efforts. They are much appreciated. There are obviously still some challenges, but absolute perfection is the standard that you have articulated on numerous occasions when dealing with these high-value assets.

I want to ask you, can you please describe what steps are being taken to address the remaining deficiencies? And are there enough resources being allocated to Air Force nuclear security to meet the standards for perfection in maintenance and in storage?

General SCHWARTZ. Yes, they are. Some of the initial things we implemented were organizational; that is, standing up of a Nuclear Weapons Center, as you are well aware, standing up a Global Strike Command, moving the nuclear missiles and nuclear-capable bombers into the same organization rather than distribute it around our Air Force. These were all important initiatives. But in the end, this is also an issue about human capital. This is an issue of culture in which we, as Schlesinger indicated, had lost the edge. And this is not a short-term undertaking. This is recreating that culture of excellence, that non-acceptance of deviations in this particular area. And we continue to work on that.

Our inspection results, as you are aware, have—and by the way, just to give you a quick insight, in 2005 through 2007, we had zero no-notice evaluations. And in the following year, 2008, we had three. In 2009 we had eight, and this year so far—and we are only a couple months in—we have eight so far this year. It gives you a sense that we are doing this no notice more frequently and more

invasively—not to make life hard for our kids, that is not it at all—but to ensure that we discover where we are not up to par. We kidded ourselves before. We can no longer do that.

So part of it is institutional, sir. Part of it is culture. And we are working both angles. The cultural piece is longer-term.

Mr. HEINRICH. But you feel that the resources are adequate to support that change in culture?

General SCHWARTZ. Indeed.

Mr. HEINRICH. Great. Wonderful.

I also want to thank my colleague Mr. Turner from Ohio for bringing up the recent successful demonstration, the ABL project. I was hoping maybe you could articulate just a little more where you see directed energy going within the Air Force over the foreseeable future.

General SCHWARTZ. The Secretary may choose to elaborate, but my view is that the sweet spot on this is solid-state, something which isn't as big, isn't as heavy, doesn't require exotic chemicals to operate, and ideally can be miniaturized so that it can operate in a variety of aircraft, both large and small. That is the path that we need to proceed on. I have some indication from our SMART [System Metric and Reporting Tool] folks that this is within the realm of the technological possibilities.

Secretary DONLEY. Just to elaborate a little bit further, part of the additional focus in this directed energy program will be where to put the mission emphasis on developing this kind of capability, at the tactical level or at the strategic missile level, for example. And there are some trade-offs to be made in that in terms of range and power.

But just to come back to where we started, there is no question that the ABL program has made important strides for us and has done some groundbreaking work in acquisition, pointing and tracking, all kinds of scientific research that will support our program going forward. But whether or not the existing ABL program, as it exists today, is the right vehicle to take this research forward, is a separate question.

Mr. HEINRICH. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Coffman.

Mr. COFFMAN. Thank you, Mr. Chairman.

A couple questions on the ISR assets. A recent GAO report indicates that the Air Force only has the capability to process one-half of the Predator signals intelligence collected. What are the Air Force plans to correct this shortfall?

General SCHWARTZ. Sir, I would dispute the GAO characterization a bit. However, an example is we intend to add 702, roughly 700 linguists to our processing enterprise in order to address the difficulties they suggested that we have. But at a higher level, I think it is important to appreciate that what we have been doing recently really is solving our problems with people power. We can't continue to do this. We have added 4,700 folks to the ground processes system for video and signals. And we are continuing to grow the take. The real secret here is automated processing, and that is the path that we will have to go in order to do this well, not unlike the NSA [National Security Agency] model.

Mr. COFFMAN. General Schwartz, is lack of UAV data encryption and the possibility of terrorist and insurgent interception of the video or data signal an issue to the United States Air Force?

General SCHWARTZ. I think it is a modest issue, if that. The reality is that we made a conscious decision to provide full-motion, real-time video to our folks on the ground, to our troopers on the ground. That was the priority, to give them situation awareness. The argument that others can see that video and make tactical use of it I think is a stretch. Nonetheless, we are encrypting that capability that will begin in 2011 and it will be completed by 2014.

But what I would not want to do is to withdraw the value of that video from our Army and Marine Corps brothers and sisters on the ground because we have sort of, I think, excessive concern about others being able to see the take.

Mr. COFFMAN. My final question is on your personnel system and your promotion system and an effort, I guess related to recruiting and retention. I think you have got a lot of great folks, and they want to make careers out of the United States Air Force. You have an up-and-out promotion system that seems to be a relic of the past, in a way. And I only say that because—what do they say—sometimes I think that the new 52 is the old 42 in terms of age.

And I am wondering, have you thought about lengthening up those times for when an airmen or an officer comes up before the promotion board? It seems that the process is pretty fast right now, that we are focused on this 20-year window for a career—and where we have people that certainly want to stay in longer than that, that are capable of doing their job but may not be competitive given the highly competitive environment of your organization right now.

General SCHWARTZ. Well, we currently have 1,600 more officers than our end strength permits, so we are keeping some on board perhaps longer than we should. I think that for a vital, physically active, aggressive force, which is what you want your Air Force to be, I think that the notion that you either compete or you move on, I think there is still merit in that basic philosophy.

We do make exceptions, sir. And that is actually fairly common in those situations, or where someone is not promoted and they are continued in some cases to 24 years, in some cases to 28 years, depending on their specialty and the need. I think that should still be the primary factor of consideration: the need.

Mr. COFFMAN. Thank you, Mr. Chairman, I yield back.

The CHAIRMAN. Thank you. Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman. Gentlemen, thank you very much for your appearance today and for your service to the country.

I recently took over as—and had the privilege of chairing the Strategic Forces Subcommittee for the Armed Services Committee. And I know that obviously, as you are well aware, the Air Force has primary jurisdiction over, or at least control over personnel and equipment, including national programs involving your jurisdictions.

I would like to go back to some of the questions that my colleagues have already brought up.

Let's turn first back to ORS. Can you please describe the programs and the capabilities the Department is funding in the fiscal year 2011 request to improve spatial situational awareness, space control, and counterspace programs, first of all, and more specifically also how all these activities reduce the vulnerability of our space assets? And beyond that, can you also elaborate a little further on how have military operational plans and contingency plans changed to reflect the possibility that those satellites may be unavailable during times of crisis or war?

Secretary DONLEY. Sir, a couple of points. We do have a space-based surveillance system that is funded in this program. We do have a Joint Space Mission Operations Center space management system that we intend to install at 14th Air Force headquarters to improve space situational awareness, modernizing that situational awareness to provide us a better sense of what is happening in space, who is up there, and the precise location and characteristics of their satellites, for example, in their operations. Very important initiatives for us going forward.

Mr. LANGEVIN. General, you had a comment?

General SCHWARTZ. I would just extend on that. Part of this is knowing what the inventory of objects is above. Part of this is again being able to identify phenomenology that might be natural or it might be manmade and being able to differentiate between the two. Space-based surveillance systems should help us do that, the first launch of which is going to occur this year.

I think that the key thing about this is that we need to be able—we need to drive toward a capability which will not only warn us of interference in whatever form it may take—physical, electronic, RF [radio frequency], so on—but attribute that, definitively to a source. When that occurs, then one can take action to protect your assets through any number of means.

Mr. LANGEVIN. Can you address more specifically about redundancy about how the military operations plan and contingency plans change to reflect the possibility that these capabilities may not——

General SCHWARTZ. I will give you an example—well, there are two. One is that we actually have war games where we have considered a day without space; in other words, intellectually trying to make sure that we understand what the puts and takes are, and what are the consequences of losing. Let's say you did not have GPS [Global Positioning System], or it was jammed; are our air crews prepared to operate in a GPS degraded environment? And that is something that we are training to in larger measure. In other words, taking those things that we perhaps in the not-too-distant past have taken for granted, but understand that an adversary might degrade them, and can we fight through that degradation?

Mr. LANGEVIN. Let me, if I could, also turn to the Space Posture Review [SPR]. It appears that the Congressionally-mandated Space Posture Review performed in partnership with the Director of National Intelligence [DNI] isn't going to be completed until the summer. Can you tell us anything about how the war performed thus far on that review and the QDR [Quadrennial Defense Review]

have influenced modernization investment plans for national security space programs? That is one.

And finally, before my time runs out, nuclear enterprise. I would like you to give a specific—could you provide information on inspections of our nuclear arsenal? I understand there were two failures recently. So on those two, as much time as the Chairman will allow. Then, if you can't finish it, for the record.

Secretary DONLEY. Just quickly on the SPR, I do expect that Congress will see the results of that this summer. To put a very broad summary on it, you will see I think some emphasis—while we have a lot of details to work through and some important policy decisions for senior leadership to make, I do think you will see more emphasis on striking the right balance between government and commercial use of space assets and how we leverage the work that is done in the commercial sector. For example, hosting payloads—commercial DOD-related payloads on commercial satellites is one aspect of that. And it also gets to the redundancy issues that you discussed before.

Just a couple of words: Space is getting more congested and space is getting more contested I think are a couple of themes that you will hear in that review.

[The information referred to can be found in the Appendix beginning on page 73.]

General SCHWARTZ. Mr. Chairman, 10 seconds. Kirtland did earn unsatisfactory grades in inspections but, interestingly, recently the 377th Wing, also at Kirtland, retested to satisfactory. So again this is a process that we are in, sir.

The CHAIRMAN. I thank the gentleman. Mr. Franks.

Mr. FRANKS. Well, thank you, Mr. Chairman, and thank both of you. Every time we have Armed Forces come before us I usually try to express gratitude to them. And, General Schwartz, I want to tell you that I think you are a credit to the Air Force and to this country. People like us up here talk about freedom all the time, and people like yourselves have carried it on your back your whole life. I am very grateful to you. That is just a little commercial there.

General SCHWARTZ. There are 332,000, plus 70,000 Reserve and 100,000 Guards, sir.

Mr. FRANKS. And God bless every one of them. I bet every one would echo what I just said about you, sir.

Secretary Donley, I know it is a challenging thing to be in your chair, so my first question is related to the resources needs of the Air Force, and so I ask you a two-part question. Number one, do you think you have the adequate latitude to speak with complete candor about the resource needs of the Air Force, and do you think that we are resourcing the Air Force adequately?

Secretary DONLEY. Sir, I think given the national constraints in front of us, the DOD constraints in front of us, the Air Force is funded adequately to meet the needs it has today. The Department of Defense and the Department of the Air Force have challenges in the future in recapitalizing our forces, and I have been very up front with audiences of all types and with our leadership in making the case that the Air Force cannot afford to do as much we think needs to be done on the schedule that we would like to do it. We

don't have all the resources; we don't have all the programs in place. The programs in place that we do have are too expensive and they take too long to build, and we perpetuate that by not having the resources to put up front to make them go faster or to buy them more efficiently. And the tanker is a good example of that, where our buy is going to be extended for quite a while, in part because we don't have all the resources we would like to do aviation, modernization, space modernization, build the cyber capabilities we need, build all the ISR, do all of those things that we would like to do as fast as we would like to do them. So we are—not unlike previous leadership or those that will follow us, we have to make those tough choices.

General SCHWARTZ. If I may, may I just amplify that we have had an opportunity to engage directly with the Secretary of Defense on Long-Range Strike, for example. Certainly I have a routine opportunity to engage with the Chairman on these matters. Neither of us are too timid, and we have venues to present, sir.

Mr. FRANKS. I appreciate that. Actually you have made some of the points that I was going to follow up with, to a degree, and I am grateful I didn't have to pull any teeth or anything and I appreciate that.

But I would follow up this way. Under the current plan, the Air Force is probably going to fly most of its KC–135 tanker fleet, much of it built in the Eisenhower Administration, into the 2020s and maybe into the 2030s, and will probably do the same thing with the remaining B–52s that we have.

We are capping production of the C–17 when the C–5 has a mission-capable rate hovering around 50–60 percent. And we have essentially canceled the F–22 program, capping production of 187 aircraft, and I guess this is just as the Chinese and the Russians are gaining their own fifth-generation fighter capability. And it will take years—as I don't have to tell you, I am trying to make some of the case here for you, Mr. Secretary—and billions of dollars to reconstruct and reconstitute that production capability if you or your successor belatedly finds out that 187 aircraft was not enough. And it seems to me, of course, it would be better to dissuade a potential adversary with overwhelming capability early on than having to respond to something where a perceived weakness was provocative.

I guess I would say here at the end that the Air Force fleet is around 24 years, the average age of it, and that is probably double what it should be. And I just want you to know that there are a lot of us, and I hope you will join with us, that we want to try to make sure that the Air Force is adequately resourced, because there is nothing that any of us do that is more important than providing not only for security needs of this country but to hope that that liberty that we have can cast across the world. So help us to make that case. And I think you have done somewhat today. Thank you, sir.

The CHAIRMAN. Thank the gentleman. Gentleman from Mississippi, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman. And thank you, Mr. Secretary and General Schwartz, for being with us for a very long time today and for your service to our Nation.

A couple of things. Number one, a recent maritime publication spoke about the Stryker brigade being moved from the West Coast to Diego Garcia by ship and then flown the rest of the way, which saves us a substantial amount of money, half the way.

I am just curious, what efforts are being made to find a port with an adjacent airfield or nearby airfield, closer than Diego Garcia, should the Afghan conflict drag on longer than any one of us want to. That would be a very smart thing for us to be looking into.

Second thing is I know that the Air Force is in the process of moving from Manta, Ecuador to probably a place called Polancaro, Colombia. As someone who likes to think of himself as pretty good at pinching a nickel until it bleeds, I am disturbed that we spent a lot of money, first in Panama, only to leave it behind. Then in Manta Ecuador, only to leave it behind.

What kind of arrangements are we making with the Colombian Government that, should we make substantial investments there, that we are there more than a decade and that we are not asked to leave, as we were in Ecuador? Again, you have done an excellent job of outlining your budget woes. That same dollar that was wasted in Manta could have gone towards building F–35s or replacement tankers.

And so rather than continuing to make the same mistakes, what steps are we taking in Colombia that we don't make the same mistakes that we made in Ecuador?

General SCHWARTZ. Sir, I think we got ten years of use out of Manta, so that was a reasonable return on investment. But I take your point.

Mr. TAYLOR. But, General, I remember, about the second year into this, the base commander at Manta telling me he felt like a second-class citizen on his own base. And I knew right then we had problems. So what steps are we going to take that we don't keep making the same mistakes?

General SCHWARTZ. I think the key thing is to have trusted allies and long-term allies and stable allies, because these relationships depend on sovereign nations. And to the extent that we can cultivate long-term stable relationships with nations in our hemisphere and elsewhere, that is the sweet spot on this. I think that is likely in the case of Colombia, even if there is a change in leadership there. There are obviously other nations where that continues to be true.

There are occasions I think where we will have to go places that are expedient. I don't think we can dismiss that. But your point to invest in those who are long-term friends is one that certainly we agree with, and I think there is a consensus in the Department on that.

Mr. TAYLOR. What efforts, if any, are we making to find a port with a nearby airfield that is closer to Afghanistan? Again, I am told the burden cost of fuel, of getting 1 gallon of fuel into Afghanistan is $400. I realize we have to do everything we can for the warfighter, but the taxpayers are telling us there is only so much money out there. So what are we doing to work on that cost?

General SCHWARTZ. That is really in General McNabb's lane. But there are a couple of locations, one immediately outside the Gulf and one inside the Gulf, where that transload operation that you

referred to at Diego is viable, and that is working. I prefer to go offline with you to identify the specific location, but that is certainly what McNabb has in store and General Petraeus has in store.

Mr. TAYLOR. Lastly, General, any evidence—the book Charlie Wilson's War is out there, the movie Charlie Wilson's War is out there. Obviously, the game changer there was the introduction of the Stinger missile. We are not the only people who make that type of missile. Any evidence of some sort of game-changing event, given our heavy dependence on air resupply in Afghanistan, with regard to surface-to-air vessels?

General SCHWARTZ. Not yet.

Mr. TAYLOR. Again, thank you for your service and thank you for being here today.

The CHAIRMAN. Mr. LoBiondo.

Mr. LOBIONDO. Thank you, Mr. Chairman. Gentlemen, thank you for your service and for being here today.

I would like to talk about an issue that I have brought up on numerous occasions for a couple of years now, the serious concerns that I have about the fighter gap issue and how it will negatively impact this Nation's national and homeland defense, particularly as it pertains to the Air National Guard.

As you know, beginning in 2015, 80 percent of the Air National Guard fighter fleet begins to run out of flying hours. Without aircraft, the Air National Guard will be unable to continue to perform the air sovereignty alert mission and unable to support the Air Force in overseas operations, which I think it has done magnificently up to this point. Many units will lose their flying missions altogether and will probably lose some very highly skilled pilots and technicians who simply will not be able to be replaced.

My question is that while Congress is still waiting for the plan on how the force structure and capability gaps will be filled since the retirement of 254 legacy fighter aircraft was announced last May—we all know about the delays in the F–35—we repeatedly asked the question, and when will the underlying analysis be provided to this committee? And can you talk about why the delay in getting these answers?

And the second question is, while we are on the topic of reports due to Congress, when can we expect to see the report on the 4.5-generation fighter gap procurement required by last year's defense authorization bill, which we have heard nothing at all on?

General SCHWARTZ. Congressman, with respect to the report on the fighter restructure, that will be delivered, as it was required by statute, not later than the first of April, and it will be delivered sooner than that.

With respect to the 4.5, sir, I have to take that for the record to confirm the delivery, but when I reviewed this last, we were on time based on the expectations. So, Mr. Secretary.

[The information referred to can be found in the Appendix beginning on page 73.]

Secretary DONLEY. Sir, I believe we owe you about three, maybe four, reports related to fighter force structure which we are tying up as part of our report on April 1. So we are bringing several pieces of this together back to you.

Mr. LOBIONDO. I appreciate that. I know we have been talking about it for a long time, and there is an increasing degree of frustration on at least the part of some of us and how we understand this bathtub fighter gap—choose the terminology you would like—will be filled. And for those of us who have a particular interest in the Air National Guard, this is a very serious concern, because as the clock ticks we get to a point where we think there is something that can be done now in the interim if the problem is identified and we can all agree on a consensus solution. But at a certain point in time, we run into a serious problem making it up, and we don't want to see things go dark when we could have made a decision at a point in time not to have that happen.

Secretary DONLEY. Sir, I think that chief has been to earlier address this issue with respect to what this so-called bathtub looks like. This is a different problem, a much smaller problem than it was a couple of years ago. The requirements have changed. The perception of what is required to do this work has been adjusted in the last few years.

Having said that, we know we have aging platforms. Going forward, it is our intent to look at whether or not we need service life extensions for F–16s sometime later in this decade. And we are working through those issues right now.

But it is not our intent to invest in new so-called 4.5-generation aircraft. We think there is probably—if we need to do slips, that is probably a better deal for the taxpayer going forward. And so that is how we are addressing that.

We do not see right now a threat to the air sovereignty mission right out in front of us. This is a mission our Air Force is doing every day, about 18 sites, about 40 aircraft, at any given time, so we think this is covered.

Mr. LOBIONDO. Thank you sir.

The CHAIRMAN. Mr. Conaway, please.

Mr. CONAWAY. Thank you, Mr. Chairman. Gentlemen, thank you for being here.

The issue I would like to talk about doesn't have anywhere near the glamour or romance of second engines on F–35s or F–22s or those kinds of things. But I am the only CPA [Certified Public Accountant] on the committee. And the Air Force, the Department of the Air Force, cannot produce financial statements today that are auditable and would pass and have a clean audit. The ability to make good management decisions—and those structures reach across every single one of those procurement issues, soup to nuts. And so that won't happen unless I can get the Secretary of the Air Force and the Chief of Staff of the Air Force to look me in the eye and say, among all the other nine zillion first priorities that you have, that you are committed to working with the Business Transformation Office and others to get us to a point that that can happen. There are benefits separate and apart just from that. But to encapsulate just the drill, let's just call them the audited financial statements.

So can you give me your thoughts on where that fits in the pecking order of things you guys think are important?

Secretary DONLEY. Sir, I had the privilege of serving as the assistant secretary for financial management when this issue first

started in about, roughly, 1990. This is a long-term effort, and it continues to take longer than we would like. But the Department is focused on this problem. It is getting attention.

The current assistant secretary for financial management is working on this issue with the DOD comptroller and the BTA [Business Transformation Agency] office. We have a number of modernized systems that are required to be in place to make this work—in personnel, logistics—and they all need to be interconnected. And we have not succeeded in fielding those large systems. We have not been successful. So we need to continue working it, and we know it is a challenge. We are committed to working the problem.

Mr. CONAWAY. I don't discount how hard it is. I do know how hard it is, but it is not impossible. And the value can't be overstated. You have no clue what you are spending on all these legacy systems and all the workarounds that the folks behind you scramble. As soon as General Schwartz asks a particular question, somebody, somewhere, goes into panic mode because the system they are working with is not the best. I acknowledge it is hard. But if the voters in District 11 let me keep coming up here, I am going to continue to hammer away at this, because I don't want to overstate it.

Secretary DONLEY. Don't stop.

Mr. CONAWAY. From your lips to the voters' ears in Texas.

C–5s. I have asked this question of your predecessor, General Schwartz. If you ran a major airline who had planes that won't fly, do you think they would go through all these hoops, the section 137, 138 requirements, and 90 days' notice and all this. For the record, I don't have any C–5s in my district, or C–17s, but can you give us some sort of a sense of what it costs year in and year out to maintain planes that you say you don't need, so that we can meet some requirement of the NDAA that is driven in no small part by the needs of the particular districts?

[The information referred to can be found in the Appendix beginning on page 74.]

General SCHWARTZ. It is in the multiple millions of dollars per platform.

Mr. CONAWAY. Annually?

General SCHWARTZ. Yes. But, again, I would just ask you to think that it is not just the money. There are maintenance personnel devoted to the aircraft. There are crews devoted to the aircraft that, you know, that are not as well utilized as they might otherwise be in another part of our Air Force or a similar mission in a different airplane. The bottom line is, this is a fleet management issue and we appeal to you to allow us as much latitude as you can to work out the legacy machines and to bring on the new.

Mr. CONAWAY. I understand my colleagues who have those aircraft in their districts that are not capable of being able to pitch this issue. But those of us that don't need to know the hard dollars and soft dollars and just the ideas as to what it does to your Air Force and our Air Force to force you to do things that good management wouldn't do in any other spectrum of flying airplanes, help us to understand the costs that that is; because we can then say, all right, if F–35 engine costs X, and we are spending 20 times

this over a number of years, what could we have otherwise spent that money on? And you can pick a variety of alternative uses for dollars in a scarce environment.

Thank you very much, Mr. Chairman. I yield back with three seconds left.

The CHAIRMAN. Thank the gentleman. Mr. Platts.

Mr. PLATTS. Thank you, Mr. Chairman. And Secretary, General Schwartz, I appreciate your patience here. And as the most junior member of the committee I think I get to be the wrap-up here.

I want to first associate my comments with Congressman Conaway and the issue of financials. I had the privilege of chairing the Subcommittee on Financial Management and Oversight for four years, and getting to that bedrock and auditing your internal controls so that you can get after what the Congressman talked about is so important. By doing it you will ultimately be able to do better in providing your personnel what they need because of the dollars you are going to save.

I apologize for not being here at the beginning of the hearing. I have two other committees I serve on that were meeting at the same time.

I understand, General Schwartz, in response to Congressman McKeon on the Don't Ask, Don't Tell, that your statement was, given the OPTEMPO that we are currently experiencing, that this would not be a good time to go forward with that policy.

One followup question, you may have addressed. Is that based on more of a general assessment of your almost 37 years of courageous and heroic service to our Nation, or a specific solicitation from your senior NCOs [noncommissioned officers], your captains, your majors who are out there on the front line and how this policy would impact them given the tempo we are experiencing?

General SCHWARTZ. It is the former and not yet the latter. But we need to have real information in order to do due diligence here, sir. And a reality is that we do not have either that valid, statistically sound survey data or the kind of scholarship that one needs to sort of assess this properly. So, in my view this is not a good time because of the demands on the force. But the Secretary of Defense's approach to have that study group produce this decision, actionable information——

Mr. PLATTS. So we have that concrete data. I share that assessment that we need to really know, bottom line, how is it going to work if we go forward and what consequences there could be.

A followup. Congressman Coffman asked about the UAV issue and the 50 percent of what we are gathering not being able to be actually assessed. I appreciate your answer on the 700 additional linguists and the technology needs.

Can you give a time frame both on the 700 personnel that you are committing and what you expect the time frame to be to get to more of the technological investment that will diminish the need for the personnel?

General SCHWARTZ. I think it is within, you know, it is within the program period. So it is within the next four or five years we will deliver all of those airmen into those billets. And the technology is there, that is my sense, to process video-shoot. We have seen it repeated for us at the games that we are watching here

over the last few days at the Olympics. So we know that it is there. We just need to go get it and move out. So the personnel will plus-up over the next couple of years. And I believe the technology is available now, and likewise we will deliver over that period.

Mr. PLATTS. And my hope is that that remains a priority, given how certain we are the impact it has to those soldiers, marines on the ground, and being able to be successful and safe in their mission. So I appreciate that effort.

And, again, to both of you, I appreciate your service to our Nation. And General Schwartz especially, with close to 37 years in uniform, we are blessed by you and all who wear the uniform, and your staff and all of our branches.

Thank you, Mr. Chairman, I yield back.

The CHAIRMAN. I thank the gentleman. Mr. Secretary, General, we thank you for your excellent testimony this morning, and we will be using it undoubtedly when we put together our national defense bill. Thank you.

[Whereupon, at 12:50 p.m., the committee was adjourned.]

A P P E N D I X

February 23, 2010

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

FEBRUARY 23, 2010

House Armed Services Committee

Opening Statement of Chairman Ike Skelton

The Fiscal Year 2011 National Defense Authorization

Budget Request from the Department of the Air Force

February 23, 2010

Today, the House Armed Services Committee meets to receive testimony on the Fiscal Year 2011 budget request of the United States Air Force. Our witnesses today are: The Honorable Michael Donley, Secretary of the Air Force; and General Norton A. Schwartz, Chief of Staff of the Air Force.

Thank you both for appearing here, and let me take the opportunity to thank all those you lead—the Active Duty, Reserve, and Air Guard personnel and the Air Force civilian employees.

Every day, the Air Force flies well in excess of 200 sorties a day in Iraq and Afghanistan, totaling over 570,000 sorties since September 11, 2001. Additionally, about 29,000 personnel are currently deployed to Iraq and Afghanistan, including over 4,000 serving in Joint Expeditionary Task billets—that is, in nontraditional billets, often outside the wire. This continues to be an exceptionally busy Air Force and one that is contributing greatly to the current joint fight.

To support this level of activity, the administration has requested a $5.3 billion increase over last year's base budget level. This would support a 1.4% across-the-board military and civilian pay raise and support the Air Force's continued focus on providing support to military families. As someone who has often commented that if 'momma ain't happy, ain't nobody happy,' I strongly approve of the continued emphasis on personnel and family issues.

Nonetheless, there are aspects of this budget request that cause me concern. For starters, I see we're back to square one on building a new bomber. Two years ago, Secretary Gates gave his blessing for the Air Force to begin a new, well thought-out bomber program. As I understand it, the direction is now to reconsider

where to go with this program—going back to first principles. I find this confusing as these issues were recently studied in depth over a five-year period.

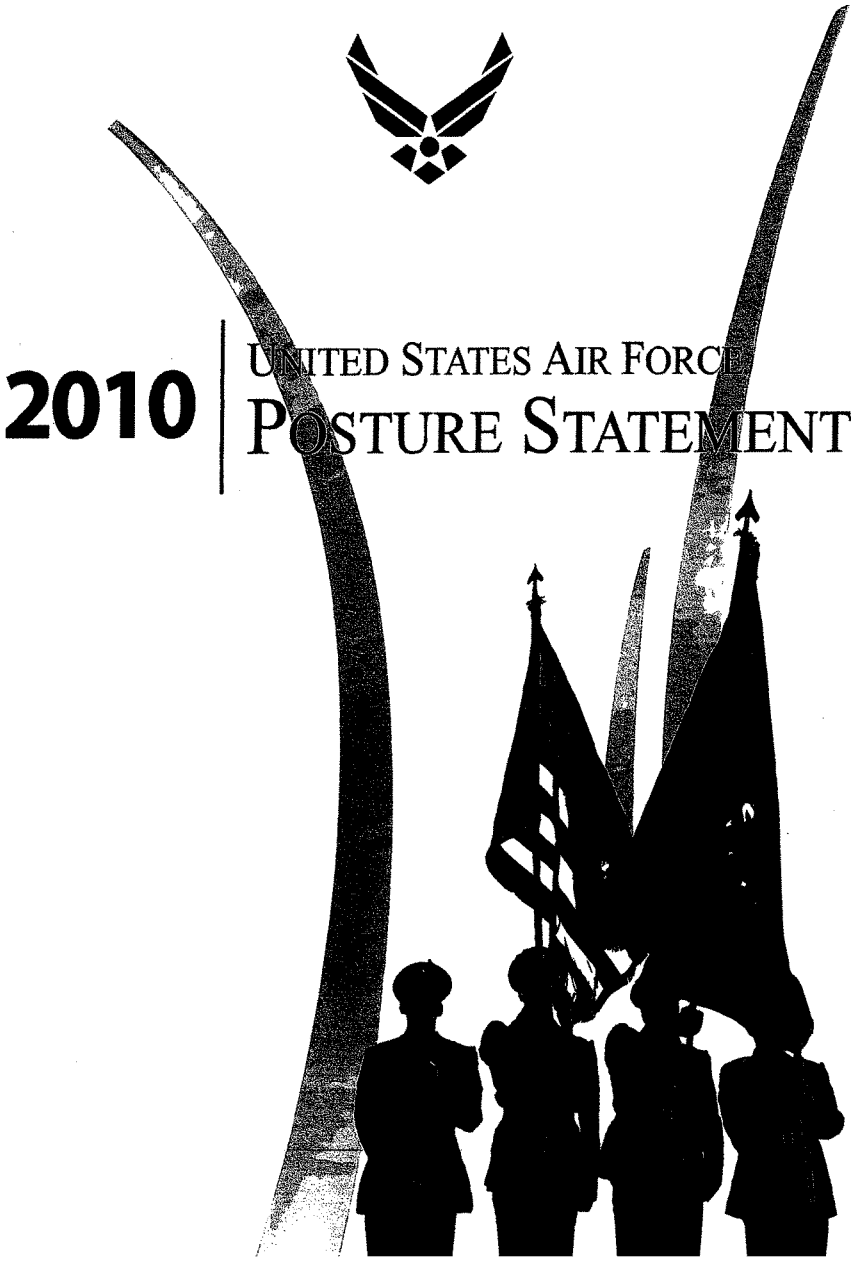
I hope the witnesses will explain to us why redoing this study is a good use of taxpayer dollars. Our national security will continue to require bombing capability and the smart design engineering workforce—a national treasure in my opinion—should not be lost.

I also hope the witnesses will discuss the F136 alternate engine issue. We have long funded the development of an alternate engine for the Joint Strike Fighter as an insurance policy for our national security. Twenty-five years from now, the F-35 will comprise 95% of all U.S. fighter aircraft.

It seems to me then that relying simply on one engine means accepting a potential single source of failure. The Secretary of Defense promised us, starting on February 1st, that he would provide us the analysis on which this year's decision was made. We have still not received this analysis and remain deeply concerned about receiving it quickly.

I also have questions about the status of the F-35 program more generally. This is a critical program for us and for our allies, but three recent reviews of the F-35 program have challenged the current development schedule, cost increases in the F135 engine, and the future production schedule. Given this, I ask our witnesses to help us understand how we can stay on target for a 2013 initial operating capability and—in the absence of full testing—why the Air Force wants to buy 23 in 2011, an increase from 13 in 2010.

There are many other important issues that I hope we can get to in during questions—including our strike fighter force structure requirements, cyber attack and defense, and future plans for a light attack aircraft, to name a few. In addition, I will say that I am pleased that OSD and the Air Force will soon be issuing the final request for proposal for our next tanker. We must get a new tanker contract awarded and start replacing current planes as soon as possible.


2010
UNITED STATES AIR FORCE
POSTURE STATEMENT

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

FISCAL YEAR 2011 AIR FORCE POSTURE STATEMENT

STATEMENT OF: **THE HONORABLE MICHAEL B. DONLEY**
SECRETARY OF THE AIR FORCE

GENERAL NORTON A. SCHWARTZ
CHIEF OF STAFF, UNITED STATES AIR FORCE

9 FEBRUARY 2010

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON ARMED SERVICES
UNITED STATES SENATE

The 2010 Air Force Posture Statement presents our vision of Global Vigilance, Reach and Power as a vital component of the Joint team, defending our National interests, and guided by our core values of Integrity First, Service Before Self, and Excellence in All We Do.

INTRODUCTION

Today, the United States confronts a dynamic international environment marked by security challenges of unprecedented diversity. Along with our Joint partners, the Air Force will defend and advance the interests of the United States by providing unique capabilities to succeed in current conflicts while preparing to counter future threats to our national security. Over the last year, the Air Force made great strides in strengthening the precision and reliability that is our hallmark.

STRATEGIC FOCUS

This year offers an opportunity to fully integrate our Service posture with a new National Security Strategy, the Department of Defense Quadrennial Defense Review, and strategic reviews of the Nation's space, nuclear, and ballistic missile defense postures. Balance is the defining principle linking this budget request to our strategic guidance.

In the 2010 Quadrennial Defense Review, the Secretary of Defense established four U.S. defense objectives to guide our current actions as well as to plan for the future: prevail in today's wars, prevent and deter conflict, prepare to defeat adversaries and succeed in a wide range of contingencies, and preserve and enhance the all-volunteer force. In accordance with this guidance, the Air Force developed the 2011 budget request to enhance our capabilities to meet these objectives, while balancing risk appropriately. As the future security environment will require a range of agile and flexible capabilities, investments for today's conflict will also support our efforts to prepare, prevent, and prevail, and preserve well into the future.

Prevail in Today's Wars: Our investments in intelligence, surveillance, and reconnaissance, as well as airlift, command and control, and building partner capacity reinforce the prominence of this priority in our budget request. In addition, nearly 30,000 deployed Airmen daily provide key capabilities in direct support of combat operations.

Prevent and Deter Conflict: The Air Force made significant resource and cultural investments in reinvigorating our portion of the Nation's nuclear deterrence over the past 18 months. We are now institutionalizing these successes to ensure the highest standards across the nuclear enterprise. Our initial investments in a family of long-range strike capabilities mark our commitment to sustaining power projection capabilities for the next several decades.

Prepare to Defeat Adversaries and Succeed in a Wide Range of Contingencies: This priority directly reflects the Air Force emphasis on balancing our commitments to today's conflicts against preparing for mid- and long-term risks. Awarding a contract this year to recapitalize our aging tanker force is our top acquisition priority. Similarly, the F-35 will be the workhorse of the fighter force for decades to come. Our investment in this program is timed with other modernization initiatives and divestment plans to ensure sufficient capabilities are available to deter and defeat potential enemies.

Preserve and Enhance the All-Volunteer Force: Preserving and enhancing our all-volunteer force provides the foundation required for our flexible and agile posture. This budget reflects a commitment to enhancing our force through education and training, while also bolstering the overall quality of life of Airmen and their families.

STRATEGY TO RESOURCES

As we prepared the budget request described by this Posture Statement, we structured our resource choices by balancing the twelve Air Force Core Functions across the near- and long-term. When considered together, the Core Functions encompass the full range of Air Force capabilities, and serve as the framework for this Posture Statement. While this document describes the core functions individually, we recognize their inherent interdependence within not just the Air Force, but also within the Joint force and the whole of government.

AIR FORCE CORE FUNCTIONS

Nuclear Deterrence Operations	*Special Operations*
Air Superiority	*Global Integrated ISR*
Space Superiority	*Command and Control*
Cyberspace Superiority	*Personnel Recovery*
Global Precision Attack	*Building Partnerships*
Rapid Global Mobility	*Agile Combat Support*

NUCLEAR DETERRENCE OPERATIONS

Since its inception, the Air Force has served as a proud and disciplined steward of a large portion of the Nation's nuclear arsenal. We steadfastly maintain and secure nuclear weapons to deter potential adversaries, and to assure our partners that we are a reliable force providing global stability.

The first Air Force priority during the last two years has been to reinvigorate the stewardship, accountability, compliance, and precision within the nuclear enterprise. This mission demands perfection. Last year we reorganized our nuclear forces, consolidating responsibility into a clear chain of command. All nuclear operations are under the command of the Air Force Global Strike Command and all sustainment activities are controlled by the Air Force Nuclear Weapons Center. We also added a fourth B-52 squadron to enhance nuclear surety through greater mission focus. We continued these advancements in FY10 by reassigning Intercontinental Ballistic Missile (ICBM) and nuclear bomber forces to Air Force Global Strike Command as it proceeds toward full operational capability.

The FY11 budget request continues to invest in sustaining the Air Force's ICBM and bomber fleets. We will invest $295M across the FYDP to replace fuzing mechanisms, and to sustain test equipment and environmental control systems for the aging, but capable, Minuteman III ICBM weapon system.

As we begin work to develop a future Long Range Strike capability, we recognize the need to continue investing in our legacy bomber fleets, including nearly $800M for modernization. This

budget request provides the B-52, initially designed in the early 1950s, with an internal precision-guided weapons capability, a new radar, and a modern and effective anti-skid system. This request funds modernization of B-2 analog defensive systems to ensure continued survivability against increasingly capable air defense systems. Additionally, the UH-1N replacement program supporting missile launch complexes is on track and we anticipate IOC by FY15.

Air Superiority

Air superiority is a necessary precondition for most U.S. military operations. American ground forces have operated without fear of enemy aircraft since 1953. Although we operate in uncontested airspace in current conflicts, we cannot assume this will be the case in the future. The emergence of modern air defenses challenges the ability of the Air Force to achieve air superiority. Potential adversaries are leveraging readily accessible technologies by modifying existing airframes with improved radars, sensors, jammers, and weapons. In addition, several nations are pursuing fifth-generation aircraft capable of all-aspect, low-observable signatures, and fully integrated avionics and sensors. Adversary nations are also turning to advanced surface-to-air missiles to augment or even substitute for aircraft modernization efforts. The proliferation of these sophisticated and increasingly affordable weapons presents an area denial capability that challenges our legacy fleet. As the range of potential threats evolves, the Air Force will rely on the F-22 Raptor as the workhorse of the air superiority fighter force for the foreseeable future. Complementing our 187 modernized F-22s, we will continue to rely on F-15C/D aircraft to provide an important component of our air superiority capability.

Our FY10 budget included plans to accelerate the retirement of some legacy fighter aircraft to pave the way for a smaller but more capable fighter force. As we work with the Congress to execute this important plan, we continue to aggressively modernize our air superiority fleet, including upgrading fielded F-22s to ensure fleet commonality with current deliveries. Additionally, we began modernizing 176 F-15Cs with the new APG-63(v)3 Active Electronically Scanned Array (AESA) radar. Along with these modifications, we are continuing the development and procurement of the AIM-9X and AIM-120D air-to-air missiles.

The FY11 budget requests $12.5B in the FYDP to sustain America's air superiority advantage. To continue F-22 modifications, this request includes $1.34B to continue fleet commonality upgrades, improving reliability and maintainability, and adding training enhancements for the fleet. Building on the multi-role nature of our most advanced aircraft, this request also includes $1.19B to add precision attack capabilities such as the Small Diameter Bomb. The Air Force will also continue the development and procurement of air-to-air munitions and defenses for the F-22 such as the AIM-9X, AIM-120D, and electronic warfare capabilities. To sustain our legacy aircraft viability, we included $92M to continue the upgrades and modifications to the new F-15 AESA radar. Recognizing that Electronic Warfare remains an integral part of air superiority, we request $251M in FY11 for upgrades to the EC-130H Compass Call fleet. This request includes the conversion of an additional EC-130H, as well as a combined flight deck and mission crew simulator to increase training capacity.

Space Superiority

America's ability to operate across the spectrum of conflict relies heavily on space capabilities developed and operated by the Air Force. We support the Joint force by developing, integrating, and operating in six key mission areas: missile warning; space situational awareness (SSA); military satellite communications; positioning, navigation and timing; space access; and weather.

To enhance space support to the Joint force, we are increasing communications capability in FY10 through two satellite communications programs, the Wideband Global Satellite (WGS) program to replace the Defense Satellite Communications System (DSCS), and Advanced Extremely High Frequency system for protected communications. We launched the second and third WGS satellites in FY10; each WGS satellite provides the equivalent capacity of the entire legacy DSCS constellation. Additionally, the second on-orbit Space-Based Infrared System Highly Elliptical Orbit payload was fully certified by United States Strategic Command to perform strategic missile warning. Finally, spacelift remains the backbone for national security space with a record sixty-four consecutive successful missions.

The FY11 budget request for $10.9B will improve our stewardship of space with investment in space and space-related support systems. With these resources, we will field several first-of-their-kind systems – Global Positioning System Block IIF, Space Based Space Surveillance System, and Advanced Extremely High Frequency satellite communications system. This request proposes $1.2B for the Evolved Expendable Launch Vehicle program, $1.8B for the Space Based Infrared System, and $1.3B for GPS. We also included $135M for Joint Space Operation Center Mission System to improve SSA capabilities, and $94M for the Operationally Responsive Space program to pursue innovative capabilities that can be rapidly developed and fielded in months rather than years. We request $577M to fully fund WGS to meet combatant commander bandwidth requirements. Moreover, we will continue to maintain SSA ground-based systems and explore space-based capabilities to ensure our continued freedom to operate in this domain.

Cyberspace Superiority

Cyber threats ranging from individual hackers to criminal organizations to state-sponsored cyber intrusions can challenge access to, and use of, this domain. Although the freedom to operate in the cyber domain is a precondition for our increasingly networked force, many of our potential adversaries are similarly adopting information-enabled technology, rendering them vulnerable to cyber attack as well. Threats to freedom of access to the cyber domain present both challenges and opportunities.

In FY10 we continued the development and institutionalization of cyberspace capabilities and integration into the Joint cyberspace structure. The newly activated 24th Air Force, the first Numbered Air Force dedicated to cyberspace operations, recently achieved initial operational capability and has been designated the Air Force component for the sub-unified U.S. Cyber Command. We are also focusing on cyber personnel by normalizing the cyber career path and adding technical education courses.

The FY11 budget request reflects a continued commitment to cyber superiority. We request $31M for expanded rapid cyber acquisition capabilities to keep pace with dynamic adversaries and fast-paced advances in technology. In support of the national cyber effort, this budget

request dedicates $104M to support operations and leased space for headquarters staff at the sub-unified U.S. Cyber Command. Additionally, we propose adding $15M and additional manpower over the next five years to increase the investigative and law enforcement aspects of cyberspace defense.

GLOBAL PRECISION ATTACK

Global Precision Attack is the ability to hold any target at risk, across the air, land, and sea domains. Many of our global precision attack forces are meeting the current requirements of ongoing contingency operations by performing precision strike and intelligence, surveillance, and reconnaissance (ISR) support roles. In the longer term, however, the proliferation of area denial and anti-access capabilities will challenge the ability of current fourth-generation fighters and legacy bombers to penetrate contested airspace.

The Air Force budget request in FY10 recognized these developments and continued improvements to aircraft and weapons capabilities. This year, we will take delivery of 10 F-35s for developmental testing and to train test pilots. We are also modernizing legacy fighter aircraft to maintain sufficient capability and capacity until the F-35 fleet is fully operational, and are continuing to develop programs for preferred air-to-ground weapons. Upon completion of the required reports to the Congress later this year, we will implement the planned reduction of 257 legacy fighters. We have had mixed results in test drops of the Massive Ordnance Penetrator; however, we are closely monitoring the progress of this important capability, and future successes likely will result in a reprogramming request to accelerate its development in FY10. Finally, continued development of the second increment of the Small Diameter Bomb will give the Air Force even greater capability and flexibility.

Our $14.4B Global Precision Attack request for FY11 reflects a balanced approach across the portfolio, prioritizing investment in fifth-generation aircraft while sustaining legacy platforms as a bridge to the F-35.

F-35 Joint Strike Fighter

The multi-role F-35 is a critical element of the Air Force's future precision attack capability. In addition to complementing the F-22's world class air superiority capabilities, the F-35 is designed to penetrate air defenses and deliver a wide range of precision munitions. This modern, fifth-generation aircraft brings the added benefit of increased allied interoperability and cost-sharing across services and partner nations.

Working in close collaboration with DoD, the F-35 program team realized a number of accomplishments over the last year, to include the first flight of the first optimized conventional take-off and landing (CTOL) Joint Strike Fighter (JSF) variant—aircraft AF-1.

Despite these important accomplishments, the program is experiencing program challenges as it transitions from development to production. Last year, DoD conducted multiple, independent reviews to assess the impact of these challenges on the program's cost, schedule, and technical performance. The results were consistent with a previous FY08 DoD independent assessment that projected a cost increase and schedule slip.

The challenges being experienced are not unusual for this phase of a major program. However, we are disappointed by the contractor's failure to deliver flight test aircraft as scheduled during the past year. The result of the late deliveries will be a delay in the flight test program.

Although there appear to be recent improvements, the contractor also has been experiencing assembly inefficiencies that must be corrected to support higher production rates.

In response to the challenges still facing the program and the findings of the independent reviews, we have taken numerous management actions to reduce risk. Most significantly we have determined that it is prudent to adjust the schedule and funding to levels consistent with the most recent independent estimates. These cost and schedule adjustments require that we initiate the process to confirm the program is in breach of the Nunn-McCurdy Act criteria, and details will be reported later this spring.

The F-35 is our largest and most important program and we are dedicated to successfully delivering these aircraft to both the U.S. and to our international partners in this effort. The Air Force FY11 budget includes $5.6 billion for continued development and procurement of 22 CTOL production aircraft.

Long-range Strike

Investments in our B-52 and B-2 fleets sustain nuclear deterrence operations as well as conventional global precision attack capabilities in the near-term, but we are adding R&D funds to accelerate development of enhanced long-range strike capabilities. Building upon insights developed during the QDR, the Secretary of Defense has ordered a follow-on study to determine what combination of Joint persistent surveillance, electronic warfare, and precision-attack capabilities will be best suited to support U.S. power projection operations over the next two to three decades. The study will examine both penetrating platforms and stand-off weapon options. As part of this assessment, the Air Force is reviewing options for fielding survivable, long-range surveillance and strike aircraft as part of a comprehensive, phased plan to modernize the bomber force. Additionally, the Navy and the Air Force are cooperatively assessing alternatives for a new Joint cruise missile. Finally, the Department of Defense also plans to analyze conventional prompt global strike prototypes and will assess the effects that these systems, if deployed, might have on strategic stability.

Rapid Global Mobility

The Air Force is committed to providing unmatched airlift and air refueling capability to the nation. Air Force mobility forces provide an essential deployment and sustainment capability for the Joint force, delivering personnel, equipment, and supplies necessary for missions ranging from conflict to humanitarian relief.

We are releasing the Request for Proposal for a KC-X replacement tanker in early 2010, and will aggressively work toward awarding a contract later this year. Additionally, we completed the successful operational testing of the C-5 Reliability Enhancement and Re-engine Program (RERP) and will induct two more C-5Bs into low-rate initial production. For tactical airlift, we recently concluded a test of our Direct Support airlift concept and continue to work with the Army to rapidly and smartly transfer the C-27J program to the Air Force.

The FY11 budget reflects a balanced approach across the tanker and airlift portfolios, which prioritizes recapitalization of the oldest aircraft while ensuring the continued viability of the legacy fleet. Investments in tanker capability are heavily weighted towards the KC-X program—our top acquisition priority—and represent $11.7B in the FYDP. However, while moving aggressively to recapitalize the tanker fleet, we must also ensure the continued health of legacy

aircraft. This budget request includes $680M in the FYDP for airspace access modifications and sustainment of the KC-10 and KC-135 fleets.

The Air Force Airlift budget request is focused on meeting mobility requirements in the most cost efficient way possible, recapitalizing only the oldest airlift aircraft. To ensure continued access to all airspace, this budget continues to modernize and modify C-5s and C-130Hs through Avionics Modernization Programs, and upgrades C-5B/Cs with RERP. To complete the recapitalization of C-130Es, we request $1.8B over the next five years to procure 24 C-130Js. Additionally, in accordance with the preliminary results of the Mobility Capabilities and Requirements Study 2016, and subject to authorization by the Congress, we intend to retire some of the oldest, least capable C-5As and C-130H1s. We have also requested $38.9M in FY11 to transition from C-17 procurement to sustainment.

Special Operations

Air Force special operations capabilities play a vital role in supporting U.S. Special Operations Command (USSOCOM) and geographic combatant commanders. As the Department of Defense increasingly develops irregular warfare capabilities, the Air Force is investing in special operations airlift, close air support, foreign internal defense, and intelligence, surveillance, and reconnaissance capabilities.

In FY10 we focused on growing and recapitalizing the special operations aircraft inventory. By the end of the fiscal year, three MC-130W Combat Spear aircraft will be modified with the Precision Strike Package to provide additional armed overwatch capability for SOF forces. Additionally, we will deliver the sixteenth of fifty CV-22s.

This FY11 budget proposal includes $6.7B through the FYDP to continue growing and recapitalizing the Air Force Special Operations Command (AFSOC). In FY11 we will procure five additional CV-22s and five MC-130Js for $1.1B. This request also includes $1.6B in the FYDP to start recapitalizing our AC-130H aircraft. We will rapidly recapitalize these aging aircraft through the procurement of 16 additional MC-130Js, modified with the proven Precision Strike Package. In FY11 we will also increase AFSOC's manpower by 258 personnel by FY15 to support the addition of 16 fixed-wing mobility and two rotary-wing aircraft.

Global Integrated Intelligence, Surveillance, and Reconnaissance

The Air Force continues to rapidly increase its ISR capability and capacity to support combat operations. Air Force ISR provides timely, fused, and actionable intelligence to the Joint force, from forward deployed locations and globally distributed centers around the globe. The exceptional operational value of Air Force ISR assets has led Joint force commanders in Iraq, Afghanistan, and the Horn of Africa to continually increase their requests for these forces. To help meet this demand, the Air Force currently has more than 90 percent of all available ISR assets deployed.

In FY10, we are quantitatively and qualitatively increasing aircraft, sensors, data links, ground stations, and personnel to address emergent requirements. Over the last two years, the Air Force increased the number of remotely piloted aircraft (RPA) fielded by 330 percent. We invested in a Wide Area Airborne Surveillance (WAAS) system for new and existing MQ-9s to provide up to 50 video streams per sensor within a few years. By the summer of FY10, a quick reaction

capability version of WAAS known as Gorgon Stare will provide 10 video streams per MQ-9. Any ROVER-equipped ground force will be able to receive any of these feeds. We also added four RQ-4s, and graduated our first class of RPA-only pilots. Early in FY10, we proposed a shift in the nomenclature from "unmanned aircraft systems" (or UAS) to "remotely piloted aircraft" as part of normalizing this capability within the Air Force manpower structure and culture. We will also maintain our current JSTARS-based Ground Moving Target Indicator (GMTI) capability as we begin an Analysis of Alternatives to determine the future of GMTI.

To complement remotely piloted capabilities, we are deploying MC-12W Project Liberty aircraft to the theater as fast as they can be delivered from the factory. This program progressed from "concept to combat" in a record nine months, and has a deployed maintenance availability rate well above 90 percent.

Because analysis transforms data into actionable intelligence, we are shifting approximately 3,600 of the 4,100 manpower billets recaptured from the early retirement of legacy fighters to support RPA operations, and the processing, exploitation, and dissemination of intelligence collected by manned and remotely piloted aircraft. We also doubled the number of ISR liaison officers assigned to deployed ground forces to ensure the seamless integration of ISR collection and exploitation assets.

Our FY11 budget proposal reflects the Joint force emphasis on ISR capacity, and builds on progress made in FY10. The Air Force will reach 50 RPA continuous, combat air patrols (CAPs) in theater by the end of FY11. The budget request increases MC-12W funding to normalize training and basing posture, adds Wide Area Airborne Surveillance capability, and increases the total number of our RPA platforms to enable fielding up to 65 CAPs by the end of FY13. As we request additional RQ-4 Global Hawks for high altitude ISR, we also intend to continue operating the U-2 at least throughout FY13 as a risk mitigation effort. We will sustain our ISR processing, exploitation, and dissemination in the Distributed Common Ground System, providing critical distributed analysis without having to forward deploy more forces.

Command and Control

Theater-wide command and control (C2) enables efficient and effective exploitation of the air, space, and cyber domain. The Air Force maintains significant C2 capabilities at the theater level. However, the highly decentralized nature of irregular warfare also places increased demands on lower echelons of command. Matching the range and flexibility of air, space, and cyberspace power to effectively meet tactical requirements requires a linked C2 structure at all echelons.

This year, we are expanding our efforts to provide C2 at the tactical, operational, and strategic levels. In FY11, the Air Force is requesting $30M across the FYDP to fund equipment and assured communications for U.S. Strategic Command's Distributed Command and Control Node (DC2N), U.S. Northern Command's National Capital Region-Integrated Air Defense (NCR-IADS), and U.S. Africa Command's expanding air operations center. Tactically, we are increasing training pipelines for Joint Terminal Attack Controllers (JTACs), establishing an Air Liaison Officer career field, fielding advanced video downlink capabilities, and adding airborne radio and datalink gateways to improve the connectivity of air support operations centers and JTACS.

In FY11, the Air Force request also includes modernization and sustainment of both airborne and ground-based C2 systems. For Air Force airborne C2, we request $275M for the E-3 Block 40/45 upgrade program. This upgrade modernizes a 1970s-era computer network, eliminates many components that are no longer manufactured, and adds avionics to comply with Global Air Traffic Management standards. To improve ground-based tactical air control operations, we are increasing manpower in the control and reporting centers and investing $51.5 million with the U.S. Marine Corps for a follow-on ground-based radar capability supporting air and missile defense. This Three-Dimensional Expeditionary Long-Range Radar (3DELRR) will be the future long-range, ground-based sensor for detecting, identifying, tracking, and reporting aircraft and missiles.

Personnel Recovery

Personnel recovery (PR) remains an important commitment the Air Force makes to the Joint force. The increased utilization of military and civilian personnel in support of Overseas Contingency Operations (OCO) has dramatically increased the number of individuals who may find themselves isolated. This has in-turn created an increasing demand for Air Force rescue forces beyond the combat search and rescue mission. Air Force PR forces are fully engaged in Iraq, Afghanistan, and the Horn of Africa, accomplishing crucial medical and casualty evacuation missions for U.S. and Coalition military and civilian personnel.

This year, we will continue to surge critical personnel recovery capability to the field, and will start replacing the aging fleet. To bring the fleet back to its original size of 112 HH-60Gs, we will put the first four operational loss replacement aircraft on contract. Additionally, we will deliver the first two HC-130J tanker aircraft, starting the replacement of the 1960s-era HC-130P fleet.

The FY11 budget request continues the replacement of operational losses and modernization of aging equipment. This request funds the last eight HH-60G operational loss replacement aircraft by the end of FY12. Additionally, we begin the process of recapitalizing the remaining fleet with the inclusion of $1.5B to procure 36 HH-60G replacement aircraft in the FYDP. We also continue our recapitalization of the HC-130P/N fleet with HC-130J aircraft. Finally, we request $553M in funding throughout the FYDP for the Guardian Angel program, which will standardize and modernize mission essential equipment for our pararescuemen.

Building Partnerships

The Air Force continues to seek opportunities to develop partnerships around the world, and to enhance long-term capabilities through security cooperation. In the USCENTCOM AOR, deployed Airmen are working with our Afghan and Iraqi partners to build a new Afghan National Army Air Corps and Iraqi Air Force to strengthen the ability of these nations to uphold the rule of law and defend their territories against violent, non-state actors. We are also working to further partnerships with more established allies with programs like the Joint Strike Fighter. Similarly, the third and final C-17 procured under the 12-nation Strategic Airlift Capability program was delivered in October 2009, helping to address a chronic shortage of strategic airlift among our European Allies.

In FY11, we will expand our capabilities to conduct building partner capacity (BPC) operations with partner air forces. Past experience has shown us that we are more effective trainers when

we operate the same platforms as our partners. To increase our interoperability, the Air Force requests resources to prepare to field the Light Mobility Aircraft (LiMA) in FY12 and the Light Attack/Armed Reconnaissance (LAAR) aircraft in FY13. These aircraft will provide effective and affordable capabilities in the two most critical mission areas for partner air forces: lower-cost airlift and light strike/reconnaissance training. Additionally, we will continue to foster BPC capability in our Contingency Response Groups. This request also includes $51M to continue investing in the Strategic Airlift Capability program. Finally, we programmed $6.4M annually across the FYDP for PACIFIC ANGEL humanitarian assistance missions in support of U.S Pacific Command theater objectives.

Agile Combat Support

Agile combat support underpins the entire Air Force, from the development and training of Airmen to revitalizing processes in the acquisition enterprise. In terms of core functions, agile combat support reflects the largest portion of the Air Force budget proposal, totaling approximately $42B for personnel and training, installation support, logistics, and acquisition.

Airmen and Families. Over the last year we stabilized end strength. Retention rates have exceeded expectations, but we continue to progress toward our end strength goal of 332,200 active duty Airmen. In addition to stabilizing our end strength, we are also modernizing our training programs and aircraft. To better partner with the Joint and Coalition team, we will provide our Airmen with cultural and regional expertise and appropriate levels of foreign language training. We are also expanding foreign language instruction for officer commissioning programs at the Air Force Academy and in ROTC, encouraging cadets to take foreign language coursework and participate in language immersion and study programs abroad. This expanded training includes enhanced expeditionary skills training to prepare Airmen for deployment. Finally, as part of our effort to modernize training systems, we have established a program office to start the process of replacing the T-38 trainer with an advanced trainer capable of teaching pilots to fly the world's most advanced fighter aircraft.

Recognizing that family support programs must keep pace with the needs of Airmen and their families, we initiated the Year of the Air Force Family in July 2009. We plan to add enough capacity to our child development centers to eliminate the child care space deficit by the end of FY12, provide better support to exceptional family member programs, and add 54 school liaison officers to Airmen and Family Readiness Centers to highlight and secure Air Force family needs with local school administrators.

The Air Force continues to expand its efforts to improve the resiliency of Airmen and their families before and after deployments. This year we expanded deployment-related family education, coupling it with psychological screening and post-deployment health assessments. Additionally, we offer access to chaplains who provide pastoral care, and counselors and mental health providers trained in post-traumatic stress treatment at every base. We plan to further enhance support in 2010 by promoting and encouraging mental health assistance, and by providing at-risk deployers with tailored and targeted resiliency programs. To support this increased effort, we will enhance mental health career field recruiting and retention through special pays and targeted retention bonuses.

Acquisition Excellence. The Air Force continues to make progress within the Acquisition Improvement Plan. In 2009, we hired over 2,000 personnel into the acquisition workforce and continued contractor-to-civilian conversions. The Air Force institutionalized early collaboration with acquisition system stakeholders, senior acquisition leadership certification of requirements, cost estimation improvements, and an improved budgeting process to enhance the probability of program successes. The multi-functional independent review teams conducted over 113 reviews, ensuring acquisition selections are correct and defendable. As part of our recent acquisition reorganization, we created 11 new program executive officer positions to reduce the span of control and increase their focus on program execution. These enhancements demonstrate our commitment to restoring the public's trust in the Air Force's ability to acquire the most technologically advanced weapon systems at a competitive cost. In the near-term, this more rigorous approach to acquisition is likely to identify problems and programmatic disconnects. In the medium- and long-term, it should yield significant improvements in Air Force stewardship of taxpayer resources.

Energy. As part of our institutional effort to consider energy management in all that we do, the Air Force requests $250 million for energy and water conservation projects in FY11. This investment will ensure we meet the President's efficiency goals by 2015. In FY10, the Air Force finalized an energy plan that directs the development and use of reliable alternative energy resources, and reduces the life-cycle costs of acquisition programs. Additionally, the plan recognizes that aviation operations account for over 80 percent of the energy used by the Air Force each year, and directs Airmen and mission planners to continue managing aviation fuel as an increasingly scarce resource.

Military Construction. The Air Force $1.3B MILCON request is austere, but provides funding for new construction aligned with weapon system deliveries. Additionally, the budget request sustains our effort to provide quality housing for Airmen and their families. Finally, the Air Force remains focused on completing its BRAC 2005 program and continuing the legacy BRAC programs as well as the environmental clean-up at legacy BRAC locations.

Strategic Basing. In 2009, the Air Force implemented a Strategic Basing Process to ensure basing decisions are made in a manner that supports new weapon system acquisition and delivery schedules as well as organization activation milestones. The newly established Strategic Basing Executive Steering Group directs these actions to ensure a standard, repeatable, and transparent process in the evaluation of Air Force basing opportunities. We are currently using this process to conduct an enterprise-wide look at F-35 basing options.

Logistics. Air Force requirements for weapon system sustainment funding continue to grow as aircraft age. In the long term, the increasing requirements for sustaining an aging aircraft fleet pose budget challenges and force trade-offs. We protected direct warfighter support, irregular warfare capabilities, and the nuclear enterprise. Since this year's budget includes a simultaneous OCO submission along with a base budget, the Air Force optimized its flying hour program funding to support only the peacetime flying hours we can fly, given the number of deployed Airmen and aircraft supporting Overseas Contingency Operations. Due to the volatile nature of fuel prices, reprogramming may be necessary to cover increased fuel costs. Over the longer term, enactment of the Department of Defense's legislative proposal for the Refined Petroleum Products Marginal Expense Transfer Account would reduce disruptions to operations and investment programs by providing the Department of Defense flexibility to deal with fuel price

fluctuations in the changing economy. The Air Force maintained its commitment to transforming logistics business practices, including total asset visibility and associated information technology, by protecting funds associated with fielding the first increment of the Expeditionary Combat Support System.

READINESS AND RESOURCING

Our efforts over the last year continued to stress both people and platforms. Nearly 40,000 of America's Airmen are deployed to 263 locations across the globe, including 63 locations in the Middle East. In addition to deployed Airmen, nearly 130,000 Airmen support combatant commander requirements from their home station daily. These Airmen operate the Nation's space and missile forces, process and exploit remotely collected ISR, provide national intelligence support, execute air sovereignty alert missions, and contribute in many other ways. To date, the Air Force has flown over 50,000 sorties supporting Operation IRAQI FREEDOM and almost 66,000 sorties supporting Operation ENDURING FREEDOM. During this time the Air Force delivered over 1.73 million passengers and 606,000 tons of cargo, employed almost 1,980 tons of munitions, and transported nearly 70,000 total patients and 13,000 casualties from the CENTCOM AOR. In doing so, Airmen averaged nearly 330 sorties per day.

To support the efforts of Airmen and to recruit and retain the highest quality Air Force members, this FY11 budget request includes $29.3B in military personnel funding, to include a 1.4 percent pay increase. Our active component end strength will grow to 332,200 Airmen as the Reserve Component end strength increases to 71,200, and the Air National Guard end strength remains 106,700 in FY11. Our recruiting and retention is strong, but we request $645M for recruiting and retention bonuses targeted at critical wartime skills, including command and control, public affairs, contracting, pararescue, security forces, civil engineering, explosive ordnance disposal, medical, and special investigations.

SUMMARY

The Air Force's proposed FY11 budget of $119.6B achieves the right balance between providing capabilities for today's commitments and posturing for future challenges. The Air Force built this budget to best achieve the four strategic priorities outlined in the 2010 Quadrennial Defense Review: 1) prevail in today's wars; 2) prevent and deter conflict; 3) prepare to defeat adversaries and succeed in a wide range of contingencies; and 4) preserve and enhance the All-Volunteer Force.

Balancing requirements for today and tomorrow determined our recapitalization strategy. We chose to improve our existing capabilities whenever possible, and to pursue new systems when required. This recapitalization approach attempts to keep pace with threat developments and required capabilities, while ensuring stewardship of national resources. In developing this budget request, we also carefully preserved and enhanced our comprehensive approach to taking care of Airmen and Air Force families.

BIOGRAPHY

UNITED STATES AIR FORCE

MICHAEL B. DONLEY

Mr. Michael B. Donley is the Secretary of the Air Force, Washington, D.C. He is the 22nd Secretary and was confirmed Oct. 2, 2008. He is responsible for the affairs of the Department of the Air Force, including the organizing, training, equipping and providing for the welfare of its more than 334,000 men and women on active duty, 176,000 members of the Air National Guard and the Air Force Reserve, 170,000 civilians, and their families. He also oversees the Air Force's annual budget of more than $110 billion.

Mr. Donley has 30 years of experience in the national security community, including service in the Senate, White House and the Pentagon. Prior to assuming his current position, Mr. Donley served as the Director of Administration and Management in the Office of the Secretary of Defense. He oversaw organizational and management planning for the Department of Defense and all administration, facility, information technology and security matters for the Pentagon.

From 1996 to 2005, Mr. Donley was a Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, and a consultant to DOD and the State Department on national security matters. From 1993 to 1996, he was Senior Fellow at the Institute for Defense Analyses. During this period he was a Senior Consultant to the Commission on Roles and Missions of the Armed Forces and participated in two studies on the organization of the Joint Staff and the Office of the Chairman, JCS. Prior to this position, he served as the Acting Secretary of the Air Force for seven months, and from 1989 to 1993 he was the Assistant Secretary of the Air Force (Financial Management and Comptroller).

Mr. Donley supported two Presidents and five National Security Advisers during his service at the National Security Council from 1984 to 1989. As Deputy Executive Secretary he oversaw the White House Situation Room and chaired interagency committees on crisis management procedures and continuity of government. Earlier, as Director of Defense Programs, Mr. Donley was the NSC

representative to the Defense Resources Board, and coordinated the President's quarterly meetings with the Joint Chiefs of Staff. He conceived and organized the President's Blue Ribbon Commission on Defense Management (the Packard Commission), coordinated White House policy on the Goldwater-Nichols DOD Reorganization Act of 1986, and wrote the National Security Strategy for President Reagan's second term. He was also a Professional Staff Member on the Senate Armed Services Committee from 1981 to 1984.

Mr. Donley served in the U.S. Army from 1972 to 1975 with the XVIIIth Airborne Corps and 5th Special Forces Group (Airborne), attending the Army's Intelligence and Airborne Schools and the Defense Language Institute. Mr. Donley earned both Bachelor of Arts and Master of Arts degrees in international relations from the University of Southern California. He also attended the Senior Executives in National Security program at Harvard University.

EDUCATION
1972 U.S. Army Intelligence School, Fort Huachuca, Ariz.
1973 Defense Language Institute, Monterey, Calif.
1974 U.S. Army Airborne School, Fort Benning, Ga.
1977 Bachelor of Arts degree in international relations, University of Southern California, Los Angeles
1978 Master of Arts degree in international relations, University of Southern California, Los Angeles
1986 Senior Executives in National Security program, John F. Kennedy School of Government, Harvard University, Cambridge, Mass.

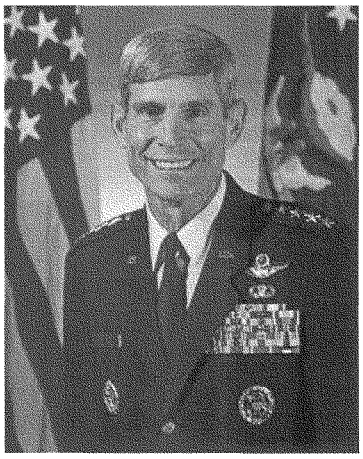
CAREER CHRONOLOGY
1. 1972 - 1975, U.S. Army, XVIIIth Airborne Corps and 5th Special Forces Group (Airborne), Fort Bragg, N.C.
2. 1978 - 1979, Editor, National Security Record, Heritage Foundation, Washington, D.C.
3. 1979 - 1981, Legislative Assistant, U.S. Senate, Washington, D.C.
4. 1981 -1984, Professional Staff Member, Senate Armed Services Committee, Washington, D.C.
5. 1984 - 1987, Director of Defense Programs, National Security Council, the White House, Washington, D.C.
6. 1987 - 1989, Deputy Executive Secretary, National Security Council, the White House, Washington, D.C.
7. 1989 - 1993, Assistant Secretary of the Air Force (Financial Management and Comptroller), Washington, D.C.
8. 1993, Acting Secretary of the Air Force, Washington, D.C.
9. 1993 - 1996, Senior Fellow at the Institute for Defense Analyses, Alexandria, Va.
10. 1996 - 2005, Senior Vice President at Hicks and Associates, Inc., a subsidiary of Science Applications International Corporation, McLean, Va.
11. 2005 - 2008, Director of Administration and Management, Office of the Secretary of Defense, Washington, D.C.
12. 2008 - present, Secretary of the Air Force, Washington, D.C.

(Current as of August 2009)

BIOGRAPHY

UNITED STATES AIR FORCE

GENERAL NORTON A. SCHWARTZ



Gen. Norton A. Schwartz is Chief of Staff of the U.S. Air Force, Washington, D.C. As Chief, he serves as the senior uniformed Air Force officer responsible for the organization, training and equipping of 680,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas. As a member of the Joint Chiefs of Staff, the general and other service chiefs function as military advisers to the Secretary of Defense, National Security Council and the President.

General Schwartz graduated from the U.S. Air Force Academy in 1973. He is an alumnus of the National War College, a member of the Council on Foreign Relations, and a 1994 Fellow of Massachusetts Institute of Technology's Seminar XXI. He has served as Commander of the Special Operations Command-Pacific, as well as Alaskan Command, Alaskan North American Aerospace Defense Command Region, and the 11th Air Force. Prior to assuming his current position, General Schwartz was Commander, U.S. Transportation Command and served as the single manager for global air, land and sea transportation for the Department of Defense.

General Schwartz is a command pilot with more than 4,400 flying hours in a variety of aircraft. He participated as a crewmember in the 1975 airlift evacuation of Saigon, and in 1991 served as Chief of Staff of the Joint Special Operations Task Force for Northern Iraq in operations Desert Shield and Desert Storm. In 1997, he led the Joint Task Force that prepared for the noncombatant evacuation of U.S. citizens in Cambodia.

EDUCATION

1973 Bachelor's degree in political science and international affairs, U.S. Air Force Academy, Colorado Springs, Colo.
1977 Squadron Officer School, Maxwell AFB, Ala.

1983 Master's degree in business administration, Central Michigan University, Mount Pleasant
1984 Armed Forces Staff College, Norfolk, Va.
1989 National War College, Fort Lesley J. McNair, Washington, D.C.
1994 Fellow, Seminar XXI, Massachusetts Institute of Technology, Cambridge

ASSIGNMENTS

1. August 1973 - September 1974, student, undergraduate pilot training, Laughlin AFB, Texas
2. October 1974 - January 1975, student, C-130 initial qualification training, Little Rock AFB, Ark.
3. February 1975 - October 1977, C-130E aircraft commander, 776th and 21st tactical airlift squadrons, Clark Air Base, Philippines
4. October 1977 - December 1977, student, Squadron Officer School, Maxwell AFB, Ala.
5. December 1977 - October 1979, C-130E/H flight examiner, 61st Tactical Airlift Squadron, Little Rock AFB, Ark.
6. October 1979 - November 1980, intern, Air Staff Training Program, Office of the Deputy Chief of Staff for Plans, Operations and Readiness, Headquarters U.S. Air Force, Washington, D.C.
7. November 1980 - July 1983, MC-130E flight examiner, 8th Special Operations Squadron, Hurlburt Field, Fla.
8. July 1983 - January 1984, student, Armed Forces Staff College, Norfolk, Va.
9. January 1984 - April 1986, action officer, Directorate of Plans, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
10. May 1986 - June 1988, Commander, 36th Tactical Airlift Squadron, McChord AFB, Wash.
11. August 1988 - June 1989, student, National War College, Fort Lesley J. McNair, Washington, D.C.
12. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany
13. August 1991 - May 1993, Deputy Commander for Operations and Commander, 1st Special Operations Group, Hurlburt Field, Fla.
14. May 1993 - May 1995, Deputy Director of Operations, later, Deputy Director of Forces, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
15. June 1995 - May 1997, Commander, 16th Special Operations Wing, Hurlburt Field, Fla.
16. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii
17. October 1998 - January 2000, Director of Strategic Planning, Deputy Chief of Staff for Plans and Programs, Headquarters U.S. Air Force, Washington, D.C.
18. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla.
19. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska
20. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C.
21. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C.
22. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill.
23. August 2008 - present, Chief of Staff, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch

Barracks, Stuttgart-Vaihingen, Germany, as a colonel
2. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii, as a brigadier general
3. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla., as a lieutenant general
4. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska, as a lieutenant general
5. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C., as a lieutenant general
6. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C., as a lieutenant general
7. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill., as a general

FLIGHT INFORMATION
Rating: Command pilot
Flight hours: More than 4,400
Aircraft flown: C-130E/H, MC-130E/H/P, HC-130, AC-130H/U, YMC-130, MH-53 and MH-60

MAJOR AWARDS AND DECORATIONS
Defense Distinguished Service Medal with two oak leaf clusters
Distinguished Service Medal
Defense Superior Service Medal with oak leaf cluster
Legion of Merit with two oak leaf clusters
Defense Meritorious Service Medal
Meritorious Service Medal with two oak leaf clusters
Air Force Commendation Medal with oak leaf cluster
Army Commendation Medal

EFFECTIVE DATES OF PROMOTION
Second Lieutenant June 6, 1973
First Lieutenant June 6, 1975
Captain June 6, 1977
Major Nov. 1, 1982
Lieutenant Colonel March 1, 1985
Colonel Feb. 1, 1991
Brigadier General Jan. 1, 1996
Major General March 4, 1999
Lieutenant General Jan. 18, 2000
General Oct. 1, 2005

(Current as of August 2009)

WITNESS RESPONSES TO QUESTIONS ASKED DURING THE HEARING

FEBRUARY 23, 2010

RESPONSE TO QUESTION SUBMITTED BY MR. LOBIONDO

General SCHWARTZ. The report on procurement of "4.5 Generation Aircraft" will be delivered on or about 1 April. [See page 40.]

RESPONSE TO QUESTION SUBMITTED BY MR. BISHOP

Secretary DONLEY. The current SRM Warm Line effort sustains skills required to reproduce 1960's-era technology SRMs. In our FY11 budget documentation, we estimated we would be able to purchase three boosters with the $39.2M available. This is a conservative estimate and the actual number of boosters we can purchase will be based on price negotiations with the ATK.

In addition to the SRM Warm Line, the AF's Evolved Expendable Launch Vehicle (EELV) program utilizes and contributes to the SRM industrial base through its use of solid rocket strap-on motors. The EELV Delta IV solid rocket motor is the GEM–60, produced by ATK. The EELV program is currently working through the inventory of existing motors. The next expected lot buy will be in 2012.

The EELV Atlas V uses solid rocket motors produced by Aerojet. Aerojet delivers between 5–7 motors per year. The next lot buy will be in 2013.

The AF has committed to a long-range Minuteman III (MM III) sustainment program to extend the life of the weapon system through 2030. The 526th ICBM Systems Group's ICBM roadmap addresses both near-term and long-term issues to meet weapon system operational requirements. This roadmap highlights both critical test/support equipment replacement requirements and numerous other weapon system components that need to be replaced due to wear and obsolescence. The most time-critical test and support equipment replacement efforts are currently underway. Other top-priority near-term needs are addressed in the FY11 PB.

The AF continues to view MM III sustainment as a top priority. The AF is evaluating options that would support an industrial base that can stand ready to resolve issues with the current fleet and also prepare to integrate modern technology for next-generation systems. [See page 25.]

RESPONSE TO QUESTION SUBMITTED BY MRS. DAVIS

General SCHWARTZ. The My Career Advancement Accounts (MyCAA) program is administered and monitored by the Office of the Secretary of Defense/Military Community and Family Policy (OSD/MC&FP) rather than the individual Services. The Air Force spouse employment point of contact was notified on 16 February by an OSD/MC&FP staff member of the "pause" in MyCAA operations. We were advised the reason for the pause was for a review of software applications, financial assistance documents and of the overall program.

Air Force provided notification to all installation Airman & Family Readiness Centers immediately so they could field any questions from spouses and up-channel concerns that are subsequently being passed along to OSD/MC&FP. Air Force spouses are also being directed to other sources of financial assistance for education and training such as the Air Force Aid Society funded Spouse Tuition Assistance Program for those stationed overseas, the Hap Arnold Grants for stateside spouses and the Spouse Employment Program which can provide entry-level job training with a goal of finding immediate viable employment. [See page 20.]

RESPONSE TO QUESTION SUBMITTED BY MR. LANGEVIN

Secretary DONLEY. Prior to the 23 Feb, 2010 hearing, two Air Force bases (involving three units) received unsatisfactory ratings on a nuclear surety inspection. Details of those inspections follow:

1) 2nd Bomb Wing (2BW), Barksdale AFB, LA

Dates of inspection: 6 – 13 Jan, 2010

Overall rating: Unsatisfactory (Re-inspected to Satisfactory, on-the-spot)

Reason(s) for failure: (Non-systemic) Munitions handling trailer and aircraft were improperly grounded. More specifically, the aircraft and munitions trailer were grounded to separate ground points. Inspection team ruled this critical deficiency violated a "warning" in the maintenance Technical Order.

Corrective action(s): Load crew chief, and 2 crew members decertified by Wing Weapons Manager. Prior to inspection team departure, a re-inspection of the aircraft loading technical operation was accomplished with a different team and the load team performed in a flawless manner.

Note: On-the-spot Re-inspection policy. When a unit is rated Unsatisfactory for a condition which can be corrected immediately, the Nuclear Weapons Technical Inspection Chief Inspector may, at his or her discretion, and with the concurrence of the commander of the inspected unit or support unit, make an on-the-spot re-inspection and include the results in the original report. (Technical Order 11N- 25–1, *DOD Nuclear Weapons Technical Inspection System*)

2) 341st Missile Wing (341 MW) and 16th Munitions Sq (16 MUNS), Malmstrom AFB, MT (represents two MAJCOM inspection teams inspecting two separate units at the same location)

Dates of inspection: 2–10 Feb, 2010

Overall rating: Unsatisfactory

Reason(s) for failure:

(341 MW, AF Global Strike Command) (Systemic) Inspection did not reveal an unreliable weapon or an unsafe/insecure environment; however, the nature, severity, and number of deficiencies documented resulted in an unsatisfactory rating. Concerns were raised in areas of security, personnel reliability program, and logistics movement (i.e. transport).

(16 MUNS, AF Materiel Command) (Systemic) Maintenance Team Chief failed to accomplish a step in the Technical Order. Inspection team ruled this a critical deficiency which could result in an unknown/unreliable weapon condition.

Corrective action(s): Unit given time to put into place corrective actions. In accordance with DOD and AF Inspection policy, the MAJCOM inspection teams will conduct a re-inspection of deficient area(s) NLT 90 days from termination of the original inspection. (Technical Order 11N- 25–1, *DOD Nuclear Weapons Technical Inspection System,* and Air Force Instruction 90–201, *Inspector General Activities*)

Note: Multi-MAJCOM inspection. Due to the integrated AFGSC and AFMC mission at Malmstrom AFB, this NSI was conducted as a Multi-MAJCOM NSI in accordance with a memorandum of understanding between AFGSC/IG and AFMC/IG. Each MAJCOM/IG inspected applicable areas and produced a separate inspection report. [See page 37.]

RESPONSE TO QUESTION SUBMITTED BY MR. CONAWAY

General SCHWARTZ. In the case of the C–5As, the FY09 Operations and Support cost of a C–5A was $13.5M per aircraft, totaling $297M per year, to continue to operate the excess aircraft. In addition, the Maintenance and Operations manpower devoted to these excess aircraft can't be utilized on other aircraft. [See page 42.]

RESPONSE TO QUESTION SUBMITTED BY MR. LAMBORN

Secretary DONLEY. There was approximately a $30M reduction in ORS funding from the FY10 President's Budget (PB) to the FY11 PB for two reasons. First, the FY10 funding line contains approximately $18M for launch vehicle expenditures, which are not required in FY11. Second, the original FY10 request was increased by $12M for congressional adds (Micro-Satellite Serial Manufacturing, LEONIDAS, Rapid Small Satellite Development Test Facilities and Space Sensor Data Link Technology); these adds were not carried over into the FY11 budget. [See page 32.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

FEBRUARY 23, 2010

QUESTIONS SUBMITTED BY MR. MILLER

Mr. MILLER. On March 26, 2008, then Secretary of the Air Force Mike Wynne issued a memorandum to the force indicating that the Air Force should endorse a "beyond goals" approach to small business contracting. The term referred to the Air Force's Small Business Programs office initiative to do just that. Is this initiative still in effect and do you support the desire of the former Secretary to increase small business participation, specifically for companies with less than 1500 employees, throughout the Air Force?

Secretary DONLEY. Yes—the Air Force Small Business Programs office supports efforts to increase small business participation, specifically for companies with less than 1,500 employees. The Air Force Small Business Programs office supports the "beyond goals" strategy and has developed an extensive outreach program to increase awareness and understanding of the impact small businesses have on the Air Force mission.

"Beyond goals" is a strategy to bring the innovation, agility and efficiency of small businesses to the mission of the Air Force: To fly, fight and win . . . in air, space, and cyberspace. Beyond goals considers numerical percentage goals and contracts as tools or a means to an end—but not the end itself.

The Air Force Small Business community members are not advocates for small businesses—we are advocates for the mission, met with small business solutions.

Mr. MILLER. Do you believe the Air Force should actively look to do business with emerging small businesses?

Secretary DONLEY. The Air Force feels that we should actively look to do business with emerging small businesses. Small businesses bring innovation, agility and efficiency to the Air Force mission. Emerging small businesses are important to the future of a healthy industrial base and an integral part of the Air Force mission. Small Businesses also have a proven track record to deliver solutions to the Air Force rapidly and effectively.

The Air Force Small Business Programs office has initiatives that highlight small business opportunities to support the mission. The Air Force Mentor-Protégé Program assists small businesses (Protégés) competing for contract awards by partnering them with large companies (Mentors) under individual agreements. Also the Small Business Innovation Research (SBIR) program encourages small business participation in Federal research and development in technology with both government and commercial applications.

Mr. MILLER. Secretary Donley: Last year, the Secretary of Defense canceled the CSAR–X program stating that the Department was conducting a review of DOD-wide assets that could conduct the CSAR–X mission. What is the status of this review? Does the Air Force plan on restarting the CSAR–X program?

Secretary DONLEY. Following cancellation of the CSAR–X program, the Air Force supported the Office of the Secretary of Defense (OSD) and the Joint Staff in their review of rotary wing support to the CSAR mission. As a result of that review, OSD analysis supported the Air Force as having a vital role in Joint CSAR.

The current plans for replacing the HH–60G fleet involve two efforts, HH–60G Operational Loss Replacement (OLR) and HH–60 Recapitalization. HH–60G OLR is the Air Force's plan to replace HH–60G Pave Hawks lost in combat and other operational missions to sustain the current HH–60 fleet strength. HH–60 Recapitalization will be a long-term recapitalization effort to replace the entire fleet.

The Air Force is working with OSD and Joint Staff to finalize requirements and an acquisition strategy that supports an HH–60 recapitalization program to replace the fleet of aging HH–60Gs. Initial program funding is contained in the FY11 President's Budget. A Request for Information has been released to obtain industry's ability to provide the Air Force with a CSAR platform. The Air Force will procure a CSAR platform that meets warfighter requirements.

Mr. MILLER. In regard to the KC–X, you've both mentioned in various settings that the Air Force will move forward with a tanker selection regardless of the number of proposals it may receive. We've learned in the past that sole source contracts cost the American taxpayers a great deal of money while at the same time reducing and even impeding the military's critical need for flexibility. Are we repeating past

mistakes by pressing forward with a one tanker option which will inevitably lead to sole sourcing?

Secretary DONLEY and General SCHWARTZ. The USAF is currently in an open competition and plans to let the process run its course. The planned date for proposal submission is 10 May 2010. If only one proposal is received, the USAF will evaluate whether the proposal meets all mandatory requirements and will exercise a clause in the Request for Proposal that requires the offeror to provide certified cost and pricing data (see FAR 15.406–2). The certified cost or pricing data will be audited by the Defense Contract Auditing Agency and used by the USAF in negotiating contract price. Finally, the USAF retains the option to not award the contract if a satisfactory agreement cannot be reached in the best interest of both the warfighter and the taxpayer. The Department clearly prefers competition because it delivers weapon systems at a lower cost for the warfighter and taxpayer.

Mr. MILLER. The Department seems to be dead set on a sole sourced tanker replacement. Do you think one single company will be able to provide a production rate fast enough to replace the current aging tanker fleet in a timely manner? How can we be sure that a sole source company doesn't charge us unnecessary amounts of money for speed of production? If we need a tanker now, why not have two companies? Would that not decrease the amount of time it will take to replace the fleet? In addition, the longer it takes to replace the fleet, the longer we will need to sustain the current fleet which as I understand, is becoming more and more expensive.

Secretary DONLEY and General SCHWARTZ. At this time, two companies have expressed an intent to bid for the KC–X contract. The KC–X contract will allow the USAF to order up to 18 aircraft per year in full rate production, with a target quantity of 15 aircraft per year. This is a reasonable production rate for a single company and meets USAF tanker recapitalization requirements. If the USAF receives only one KC–X proposal, and if it meets the RFP requirements, we will then obtain certified cost and pricing data to negotiate and award a fair and reasonable contract for the American taxpayers. The USAF considered all options per Congressional direction, but ruled out dual award approaches based on budget affordability and fleet concerns including increased training, operations, maintenance, and support costs. The Department and the USAF are committed to awarding to a single company through a competitive strategy for a commercial derivative tanker as that strategy provides the best value for the warfighter and taxpayer.

Mr. MILLER. In regard to in-sourcing, what criteria have been established for determining which functions should be in-sourced? What steps does the Air Force have in place to assist contractor employees whose functions may be in-sourced?

Secretary DONLEY and General SCHWARTZ. In-sourcing guidance issued by the Deputy Secretary of Defense on 28 May 2009 outlines a systematic approach that helps ensure in-sourcing decisions are fiscally informed and analytically based. If contract workload is found to be inherently governmental, experiencing contract administration problems, providing unauthorized personal services, or otherwise exempt from contracting under DOD Instruction 1100.22, Guidance for Determining Workforce Mix, the function must be in-sourced regardless of cost. However, if the contract does not fit one of the mentioned criteria, a cost analysis is required to determine the most cost-effective means of performing the work.

The Air Force must adhere to the legal requirements of Merit Systems Principles that call for open and fair competition. To single out contractors for special assistance programs may be considered inconsistent with Merit Systems Principles. The Air Force has implemented a number of enhancements that serve to streamline the recruitment process, including the development of an Enterprise Recruitment Function at the Air Force Personnel Center (AFPC) to address enterprise-wide recruitment needs with a strategic focus; use of social networking sites (e.g., Twitter) to augment recruiting to meet our most critical needs; creation of an Air Force Civil Service Career Portal that is more applicant-friendly, resulting in larger pools of well-qualified candidates; and data mining using commercial recruitment websites to steer applicants to Air Force vacancy announcements. More robust and improved recruitment processes will benefit all applicants, including those contractor employees whose functions may be in-sourced.

Mr. MILLER. Over the years DOD has defined potentially hostile nations' military capabilities in comparison to our own in terms of "peers" vs. "near-peers". For example, in regard to a blue water Navy or air dominance Air Force, the Department has maintained that the United States currently has no "near-peers." With the advent of cyber warfare and the multitude of recent examples of cyber attacks, do you think it's reasonable to say that the United States does indeed have "peers"? I mean, at this point anyone, state actor or not, with internet connectivity and skilled in cyber operations has the ability to be a "peer" of the United States. With that

in mind, do you think the Department should be moving toward creating a combatant command as opposed to a sub-unified command?

Secretary DONLEY and General SCHWARTZ. With low costs of entry and global interconnectivity, the U.S. does have "peers" and "near-peers" in the cyber domain. As a Service, the mission of the United States Air Force is to organize, train, equip, and provide forces to Joint Combatant Commands. The Department of Defense has determined that a sub-unified command is the best command structure for the Cyberspace mission. The Air Force is committed to providing support for cyber operations as a component of any joint command arrangement.

Mr. MILLER. General Schwartz: The F100 and F110 engine competitions in the 1980s and early 1990s for the F–16 saved money, and improved engine performance, reliability and contractor responsiveness. Today, the Air Force continues to execute the F–16 program with two engines. Why wouldn't a similar program be applicable for the F–35? With fewer fighters today, and even fewer in the future, do you believe that the Air Force is taking significant risks by not including a program to develop and procure a competitive, alternate engine for the F–35?

General SCHWARTZ. The Air Force supports Secretary Gates' conclusion to not pursue a competitive engine. While engine performance, reliability, and contractor responsiveness did improve during the F100 and F110 engine competition, there is no evidence that this was a direct result of competition. Historical experience shows that any costs and/or benefits arising from competition are highly unpredictable and also depend heavily on the strategic behavior of the companies involved. Maintaining two engine suppliers would result in increased development, production, and support costs in the near term. The Air Force maintains that the risks involved with a single engine supplier are acceptable, and savings associated with competition, which may be realized in the future, will not sufficiently offset the upfront development costs when competing against existing Department priorities. Recent experience with engine development for the F–22 and F/A–18E/F indicates that sole source risks are acceptable, especially considering the Pratt & Whitney engine continues to meet or exceed the stringent performance requirements associated with the F–35 propulsion system.

Mr. MILLER. What is the current Air Force policy, directive or regulation governing the conversion of non-acquisition contractor personnel to government positions?

General SCHWARTZ. The following are the policies, directives and regulations governing the conversion of non-acquisition contractor personnel to government positions:

1. In-sourcing Contracted Services—Implementation Guidance from OUSD (P&R) dated 28 May 2009, outlines a systematic approach to identifying and evaluating potential in-sourcing candidates. These guidelines ensure in-sourcing decisions are fiscally informed and analytically based.

2. Guidance and Documenting Civilian In-sourcing Positions from OUSD (P&R) dated 31 December 2009, provides guidance on tracking DOD civilian personnel actions associated with in-sourcing.

3. Directive-Type Memorandum (DTM) 09–007, "Estimating and Comparing the Full Costs of Civilian and Military Manpower and Contract Support" from OSD (CAPE) dated 29 January 2010, establishes a DOD-wide cost estimating methodology in support of workforce decisions to include in-sourcing.

Mr. MILLER. Is the Air Force policy different than that of other services? If so, why?

General SCHWARTZ. No, the Air Force in-sourcing procedures comply with the same OSD policy guidance that applies to all Service components. Due to the organizational differences between the Air Force and the other Service components, the Air Force has taken a more decentralized approach to in-sourcing. The Air Force relies heavily on the Major Commands to review their contract inventories, identify candidates, conduct business case analyses, and implement the resulting decisions. The Air Force maintains centralized control by issuing policy, validating business cases, and monitoring the conversion process.

Mr. MILLER. Has the Air Force conducted an analysis of non-acquisition contractor conversions as they relate to the service's small business participation requirements?

General SCHWARTZ. The Air Force has not conducted an analysis of non-acquisition contractor conversions and the impact on small business goals. However, the Air Force does place strong emphasis on ensuring that we meet or exceed the federally mandated goals, and has instituted a "Beyond Goals" strategy to help ensure small businesses are provided maximum practicable opportunity to compete for Air Force requirements.

QUESTIONS SUBMITTED BY MR. WILSON

Mr. WILSON. With regard to the Joint Strike Fighter program, how will encroachment and increased noise associated with the fighters impact the decision to base these aviation assets?

Secretary DONLEY. With the announcement of the candidate basing locations, the formal environmental impact analysis process and development of environmental impacts statements (EISs) have begun. The EISs will analyze potential impacts of the alternative basing locations for both Joint Strike Fighter (JSF) training and operational basing candidate locations.

At this point in time, we cannot specifically state how encroachment and noise may impact the Air Force's final basing decision. Through the EISs, a full spectrum of issues will be evaluated, to include consideration of JSF noise and encroachment related impacts. When released, Congress, regulatory agencies, and local communities will be provided the opportunity to review and comment on these EISs through an iterative review process.

After the draft EIS review, all comments provided to the Air Force will be considered and made a part of a Final EIS. This final EIS will support the Air Force's operational and training basing decisions, which will be reflected in a signed Air Force Record of Decision (ROD).

Air Force JSF basing decisions become final when the ROD is signed and issued. The Air Force expects to announce the F–35 EIS preferred alternatives in late Spring/Summer of 2010, release a draft EIS in late summer 2010, and issues its ROD in early 2011.

Mr. WILSON. On February 3, Secretary Gates told this committee that a business case analysis had been conducted with regards to the alternate engine for the F–35. Are you aware of any business case analysis? If so, does the Air Force agree with the Secretary of Defense's position not to develop and procure a competitive engine for the F–35? Lastly, would you be able to share any insights to this committee when we may be able to see the aforementioned business case analysis?

Secretary DONLEY. The Cost Assessment and Program Evaluation (CAPE) office performed a Cost/Benefit analysis in FY2007. Both the original study and the recent FY2010 "Quick Update" were provided to the HASC on February 23, 2010.

The Air Force supports Secretary Gates' conclusion to not pursue a competitive engine. Maintaining two engine suppliers will result in increased development, production, and support costs in the near term. The Air Force maintains that the risks involved with a single engine supplier are acceptable, and savings associated with competition, which may be realized in the future, will not sufficiently offset the upfront development costs when competing against existing Department priorities. Recent experience with engine development for the F–22 and F/A–18E/F indicates that sole source risks are modest and acceptable, especially considering the Pratt & Whitney engine continues to meet or exceed the stringent performance requirements associated with the F–35 propulsion system.

Mr. WILSON. The engine competitions for the F–16 saved money, improved engine performance, reliability, and contractor responsiveness. Today, the F–16 program continues to operate with two engines. Why wouldn't a similar program be applicable to the F–35?

General SCHWARTZ. The Air Force supports Secretary Gates' conclusion to not pursue a competitive engine. While engine performance, reliability, and contractor responsiveness did improve during the F100 and F110 engine competition, there is no evidence that this was a direct result of competition. Historical experience shows that any costs and/or benefits arising from competition are highly unpredictable and also depend heavily on the strategic behavior of the companies involved. Maintaining two engine suppliers will result in increased development, production, and support costs in the near term. The Air Force maintains that the risks involved with a single engine supplier are acceptable, and savings associated with competition, which may be realized in the future, will not sufficiently offset the upfront development costs when competing against existing Department priorities. Recent experience with engine development for the F–22 and F/A–18E/F indicates that sole source risks are acceptable, especially considering the Pratt & Whitney engine continues to meet or exceed the stringent performance requirements associated with the F–35 propulsion system.

Mr. WILSON. The Air Force will need to submit reports required by Sections 137 and 138 of the National Defense Authorization Act for FY2010 before it can retire the 17 C–5As planned for FY2011. When will this committee be provided these reports?

General SCHWARTZ. The report is being drafted at this time and is expected to be delivered by early July 2010.

QUESTIONS SUBMITTED BY MR. BISHOP

Mr. BISHOP. The proposed FY11 budget only allows for $44.2 million for Minuteman III warm line, of which $5 million is for unspecified government costs or overhead, leaving only about $39 million in this funding line which budget documents state are to produce only 3 motor sets. By contrast, the Navy funds a warm line effort for the D–5 missile which produces 12 motor sets a year. How did the Air Force determine that only 3 booster motors for Minuteman III annually was adequate to sustain a viable warm line effort for the MM III weapons system through 2030?

Secretary DONLEY. The number of booster motors identified in the Air Force budget documents is a conservative estimate. The final number will likely be more than three; but will not be defined until the contract negotiations are completed. Additionally, the Air Force is reevaluating the overall Solid Rocket Motor (SRM) Warm Line concept in order to help sustain the SRM industrial base production skills. Unlike the Navy, there is currently no anticipated Air Force requirement to replace operational MM III missile motors. An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

Mr. BISHOP. The proposed FY11 budget only allows for $44.2 million for Minuteman III warm line, of which $5 million is for unspecified government costs or overhead, leaving only about $39 million in this funding line which budget documents state are to produce only 3 motor sets. By contrast, the Navy funds a warm line effort for the D–5 missile which produces 12 motor sets a year. Wasn't the number of missile motor sets being placed at only 3 in FY11 by the Air Force based primarily upon budget considerations, and not actual program or industry requirements?

Secretary DONLEY. The number of booster motors identified in the Air Force budget documents is a conservative estimate. The final number will likely be more than three; but will not be defined until the contract negotiations are completed. Unlike the Navy, there is currently no anticipated Air Force requirement to replace operational MM III missile motors. An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

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Secretary DONLEY. Industry was consulted during the FY11 budget formulation process. Initially industry stated the need for 12 per year and then revised the number to six motor sets per year to maintain a fully qualified and certified workforce to produce MM III booster sets.

The number of booster motors identified in the Air Force budget documents is a conservative estimate. The final number will likely be more than three; but will not be defined until the contract negotiations are completed. Unlike the Navy, there is currently no anticipated Air Force requirement to replace operational MM III missile motors. An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

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Force contingency plan for ensuring a viable MM III weapons system through 2030 (the program of record) if the private SRM industrial base capability for the MM III is shuttered and its contract obligations with the Air Force are not renewed?

Secretary DONLEY. If the current MM III Solid Rocket Motor production capability is allowed to lapse, any requirement for follow-on MM III SRM production would include the time and costs required to reinstate a MM III SRM production capability. The Air Force, in coordination with industry, has determined what those costs and timelines would be and would include these factors in long-range planning efforts. Unlike the Navy, there is currently no anticipated Air Force requirement to replace operational MM III missile motors. An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

Mr. BISHOP. The proposed FY11 budget only allows for $44.2 million for Minuteman III warm line, of which $5 million is for unspecified government costs or overhead, leaving only about $39 million in this funding line which budget documents state are to produce only 3 motor sets. By contrast, the Navy funds a warm line effort for the D–5 missile which produces 12 motor sets a year. A Department of Defense Report to Congress on the Solid Rocket Motor Industrial Base, dated June 2009, at page 47 stated that "Delays in the NASA Ares program could have a significant negative impact on the large SRM (Solid Rocket Motor) prime contractor industrial base and on some of the SRM subtier base, specifically material suppliers." In light of NASA's FY11 more drastic budget recommendation to completely cancel the Constellation program, along with the Ares 1 and Ares 5 boosters, should not the above-referenced study be revised and updated?

Secretary DONLEY. Per direction in the National Defense Authorization Act for FY2010, the Secretary of Defense is to "establish a plan to sustain the solid rocket motor industrial base, including the ability to maintain and sustain currently deployed strategic and missile defense systems and to maintain an intellectual and engineering capacity to support next generation motors, as needed." An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

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Secretary DONLEY. The AF is fully committed to sustaining the MM III weapon system through 2030 and has budgeted over $1.3B of investments through the FYDP (FY10–FY15) to achieve that objective. Unlike the Navy, there is currently no anticipated Air Force requirement to replace operational MM III missile motors. An interagency task force, that includes representation from DOD (the Office of the Secretary of Defense, Army, Navy, Air Force and Missile Defense Agency) and NASA, has been formed to offer solid rocket motor industrial base sustainment recommendations to the Secretary of Defense for a subsequent report to Congress. The interim report to Congress is expected to be delivered in June 2010.

QUESTIONS SUBMITTED BY MR. TURNER

Mr. TURNER. The Pentagon put out a directive for the services to expand the acquisition corps by thousands of personnel. The Air Force appears to have aggressively executed this increase in acquisition professionals. Many organizations are converting contractor employees to government civilians. According to some observers, there may be a perception that some individuals are "being coerced" and pressured into leaving their contractor employers and switching to the civil service as government employees. Has the AF developed a plan for the conversion of transitioning contractor to government personnel? If policies have been codified, have procedures been developed on how to address contractors' concerns of hiring away their personnel to Air Force civilian positions?

Secretary DONLEY. The Air Force has an overarching plan for transitioning certain functions or services currently performed by contractors to DOD civilian or military performance, or a combination thereof. The Air Force plan does not include specific policies or procedures to address contractor concerns regarding the hiring of contractor personnel.

We acquire talent through open, fair, and competitive hiring processes, consistent with Merit Systems Principles. Because the Air Force has positioned itself as an employer of choice, engaged in a wide range of functions that represent desirable and meaningful work among jobseekers, we receive applications from a broad range of applicants, including employees of contractor companies. We are required to consider all applicants who meet the eligibility and qualification requirements for the positions we are seeking to fill, without regard to the organizations that employ them.

We view our contractors as valued partners and greatly appreciate the talent and skill they bring to the mission. We respect the work relationship these companies have with their employees.

Mr. TURNER. During the hearing, I mentioned I would be submitting a letter (attached) in which the Air Force Chief of Staff assured Mr. Hobson and the community that "If the Air Force receives funding to procure additional C–17s beyond the current 180, it is our intent to place C–17s at Wright-Patterson AFB to ensure a follow-on mission for the 445th Airlift Wing." Can you reaffirm the Air Force commitment to ensuring the continuation of the important mobility mission by eventually placing C–17s at the 445k Airlift Wing?

General SCHWARTZ. The review and evaluation of additional C–17 basing candidates is nearing completion. Once complete, the Air Force will make the appropriate Congressional notifications and announcements.

QUESTIONS SUBMITTED BY MRS. MCMORRIS RODGERS

Mrs. MCMORRIS RODGERS. As a Member who represents a KC–135 Air Refueling Tanker base, I see first hand the impacts the delayed tanker acquisition has on a community. The KC–135 represents a central piece of war plans to support the United States and its allies around the world. Like many, I want to see the new KC–X at the ramps at Fairchild Air Force Base sooner than later. I understand that we will finally be seeing the RFP come out this week. What type of timelines can we look forward to for this project?

General SCHWARTZ. The Air Force released the RFP on 24 February 2010 with proposals due to the government on 10 May 2010. Contract award is planned for the fall of FY2010. After an approximately four-year Engineering and Manufacturing Development phase, the USAF estimates the first seven production KC–X aircraft will be delivered in 2015. Final decisions regarding the basing of KC–X are part of a separate process that will take place at a later date.

Mrs. MCMORRIS RODGERS. I proudly represent Fairchild Air Force Base and saw the surge of the operations tempo that has continued to be maintained at high levels. We are deploying our Airmen more frequently. The opts temp for our tanker crews right now is to deploy every 90 days. We also have Airmen participating in Joint Expeditionary Taskings in support of other services. Over the years, the Air Force end strengths have been reduced significantly. Are you confident that a mere .15% person increase in the Air Force is sufficient to support the overall missions now and in the foreseeable future?

General SCHWARTZ. We believe the Air Force's proposed 332,200 AD end strength in the FY11 budget achieves the right balance between providing capabilities for today's commitments and posturing for future challenges, i.e. increasing demands for Intelligence, Surveillance & Reconnaissance operational capabilities; enhancing cyberspace, irregular warfare, command and control capabilities to win today's Joint fight; recapturing Acquisition Excellence; continuing to strengthen the Nuclear Enterprise; and developing and caring for our Airmen and their families.

Mrs. MCMORRIS RODGERS. As you both know, one of every ten Americans are out of work. We know that it is critical to focus our attention on creating new jobs in the United States. The KC–X tanker competition pits an American made airplane against a plane whose major assemblies will be manufactured in Europe. It seems we have a choice: creating tens of thousands of jobs here in the United States or sending those jobs overseas. When the President spoke of creating conditions necessary for business to expand and hire more workers, I think we all assumed he was referring to U.S. workers and U.S. jobs. If that is the case, why is this Administration considering sending the tens of thousands of tanker manufacturing jobs to Europe?

General SCHWARTZ. The USAF KC–X tanker solicitation is a full and open competition in the best interest of both the warfighter and taxpayer. Discussion of a KC–X contract award to any company is premature at this time. The Department will ensure the tanker solicitation remains wholly compliant with the current state of law, including the Buy America Act.

Mrs. MCMORRIS RODGERS. Wouldn't you agree that spouses relying on the Military Spouse Career Advancement Account (MyCAA) program to further their academic goals should have been notified prior to the temporary stay in order to make the necessary arrangements with their school.

General SCHWARTZ. The MyCAA program is administered, and monitored by OSD rather than the Services. It is not an Air Force controlled program. When the Air Force was unexpectedly notified on 16 February by staff from OSD(MC&FP) of a "pause" in the MyCAA spouse tuition assistance program, we provided notification to all installation Airman & Family Readiness Centers immediately. Air Force spouses were informed of other sources of financial assistance for education and training such as the Air Force Aid Society Spouse Tuition Assistance Program for those stationed overseas, the Hap Arnold Grants for stateside spouses and the Spouse Employment Program which can provide entry-level job training with a goal of finding immediate viable employment. We expect further guidance from OSD regarding program operations for spouses that are currently enrolled, as well as the long-term status of the program.

QUESTIONS SUBMITTED BY MS. BORDALLO

Ms. BORDALLO. My question is regarding the military humanitarian mission in Haiti. Can you comment as to whether or not the C–27, Joint Cargo Aircraft, have been used for the Haiti Humanitarian Relief Operations and in what capacity? If the aircraft has not been utilized, can you explain why this tactical asset has not been used to disperse needed supplies to regions outside the epicenter of Port-au-Prince? Additionally, I understand the total buy for the C–27 program is 38 aircraft but that is the floor and not the ceiling. To that extent, and given the change in program leadership, what steps have been taken to work with the Army to develop a strategy on how to replace the Sherpa aircraft and to give missions to those units that have the Sherpa or who were previously slated to receive the C–27 aircraft in the Army?

General SCHWARTZ. No Air Force C–27Js were used in Haiti relief operations. As of today, the Department of Defense has taken ownership of three aircraft. These aircraft are undergoing testing and development. The first operational deployment for the C–27J has not yet been finalized. The Air Force does not currently plan to increase the number of C–27Js beyond the current 38 program of record.

The Air Force intent is to support the Direct Support mission utilizing our entire airlift fleet, as required, to best meet Army demand. The Air Force is not actively engaged with the Army in determining the way forward for the C–23 fleet or for Army National Guard units affected by the transfer of the Direct Support mission to the Air Force.

Ms. BORDALLO. The recent QDR requires the Air Force to conduct a study on the Long Range Strike program and field a new long range strike bomber by 2018. However Secretary Gates stated in his recent testimony before the HASC that a new bomber might well be more than 15 years away. Can you explain what the Air Force is doing to ensure we execute an efficient and timely study in order to move forward with the fielding of a New Bomber. Additionally, when can we expect the study to be completed. Finally, when do you foresee procurement of the new generation bomber taking place?

General SCHWARTZ. The Secretary of Defense (SECDEF) delayed the development of an Air Force follow-on bomber, which was directed in the 2006 Quadrennial Defense Review (QDR), until the Department of Defense could better understand the need, requirement, and technology associated with the weapon system. Based upon the need for additional analysis, the SECDEF chartered a subsequent study to examine a broad array of long-range strike issues and options, including: the appropriate mix of long range strike capabilities, upgrades to legacy bombers, manned and unmanned force structure numbers, stand-off and penetrating platform ratio, stand-off cruise missile requirements, Intelligence, Surveillance, and Reconnaissance (ISR) demands and conventional Prompt Global Strike needs. The results of the study are scheduled to be completed in the fall of 2010. This study will inform subsequent Departmental decisions on new bomber procurement.

Ms. BORDALLO. Our current strategic focus is on counter-insurgency operations that rely on precision strikes from aircraft on a daily basis, which require less of

a bomb payload. In a major regional conflict on the order of a Desert Storm or Allied Force or the initial phases of Iraqi Freedom we dropped a significant payload every day. Do you believe we have seen our last major regional conflict? If not, In your opinion, will we need the ability to do that in the future? Although the QDR tries to strike a balance across the spectrum of warfare, I'm deeply concerned that we're too focused on the current counter insurgency conflict we're fighting and not looking enough at the ways we can deter future regional conflicts that require a stealthy long range strike capability. Isn't a next generation bomber needed to better address our deterrence capability in future conflicts?

General SCHWARTZ. The Air Force must be fully prepared to respond to our Combatant Commanders in support of operations that span the full spectrum of conflict from counter-insurgency to large scale conventional campaigns while still maintaining a credible nuclear deterrence posture. A long-range strike aircraft is one element of our future strike capability which also strengthens our strategic deterrence posture. While investments in our legacy bombers sustain our nuclear deterrence operations and conventional global precision attack capabilities into the future, the Air Force has also programmed research and development funds to accelerate development of an enhanced long-range strike capability to counter the anti-access and area denial strategies of our adversaries.

QUESTIONS SUBMITTED BY MR. LAMBORN

Mr. LAMBORN. In your testimony, you stated that you would verify my numbers and get back to me on the funding for Operationally Responsive Space (ORS). The funding from FY09 to FY11 has undergone a 59% cut with the cut from FY10 to FY11 being 24% (FY09–228.5 million; FY10–124.3 million; FY11–94.0 million). This trend does not indicate that it is a top priority as you implied when speaking about the space budget in general. My question pertains directly to ORS and how in an era of ever increasing demand and looming enemy threat that we reduce a program by 59% that is intended to provide Joint Force Commanders with surge space capacity and the ability to replenish should our enemies attack our space assets. Please provide specifics on ORS initiatives and explain the specific cuts in funding.

Secretary DONLEY. The Operationally Responsive Space (ORS) initiatives include completing and launching ORS–1, and continuing the critical payload, bus, launch, range, and command and control enablers necessary to make ORS successful. These enablers include the Modular Space Vehicle (MSV) and the Rapid Response Space Works (RRSW). The MSV effort supports the design and development of mission kits (modular payloads and buses) and the RRSW procurement develops the facilities, capability, and Concept of Operations for rapid assembly, integration, and testing of tailored ORS systems.

The budget has been relatively stable for ORS funding. It is approximately $100M per fiscal year from FY09 to FY11 with some exceptions for launch vehicle expenditures, ORS–1 and congressional adds. The FY09 funding is $135M higher than FY11 due to three reasons. The Air Force reprogrammed $39M into ORS when ORS–1 was initiated as an urgent need in FY09. The FY09 funding line contains $9M for TacSat launch vehicle expenditures while FY11 doesn't require any TacSat launch vehicle funding. Additionally, the original FY09 request was increased by $87M for congressional adds (Infrared Sensor Payload Development, Micro-Satellite Serial Manufacturing, LEONIDAS, Chip Scale Atomic Clock, and Missile Range Safety Technology).

The ORS funding in FY10 is approximately $30M higher than FY11 due primarily to the FY10 funding line containing $18M for TacSat launch vehicle expenditures, while FY11 doesn't require any TacSat launch vehicle funding. Additionally, the original FY10 request was increased by $12M for congressional adds (Micro-Satellite Serial Manufacturing, LEONIDAS, Rapid Small Satellite Development Test Facilities and Space Sensor Data Link Technology).

Mr. LAMBORN. In your testimony, you stated that the requirement for fighters had changed from 2200 to 2024. What specific factors drove this lower number? Is the lower number based on the near term (5-year) or the longer (15–20 year) look?

General SCHWARTZ. The lower number of approximately 2000 Total Active Inventory (TAI) reflects the most current Air Force assessment of the required fighter force structure to meet National Defense Strategy objectives through the mid 2020's. The change in the fighter force structure shortfall was caused by three factors. First, the Air Force elected to accept a moderate level of warfighting risk. Second the F–35 planned procurement rate was increased from 48 to 80 aircraft per year, bringing 5th generation to the field sooner. Third, the approach to fighter service life computations was refined.

Mr. LAMBORN. In your testimony, you stated that the initial fighter gap numbers were based on a yearly production rate of 48 for the F–35, but now you anticipate a production rate of 80. With the program continuing to sup to the right, what specific change has moved us from the 48 number to 80? Why were we not looking at 80 to start with? If the program continues to slip will we see a continuous rise in these production estimates to mask the fighter gap? When will slips become so critical that we cannot simply up annual production to close the fighter gap and what specific other actions are you taking to minimize risk should the annual number of 80 prove unattainable?

General SCHWARTZ. A yearly production rate of 48 F–35A was programmed in the FY08 PB based on to fiscal considerations. Production was increased from 48 to 80 F–35A aircraft per year in the FY11 PB commensurate with an Independent Manufacturing Review Team (IMRT) review confirming the feasibility of increasing the production ramp-up to 80 F–35A a year.

The Air Force is also closely monitoring fighter capability and capacity shortfalls; conducting full scale fatigue tests (FSFT) on the F–15C, and starting a FSFT on the F–16 Block 50 in FY11. These tests will increase the accuracy of determining the remaining service life of these aircraft, continue to inform service life extension programs (SLEP), and define when needed SLEP entails maintaining operational viability through capability and structural upgrades. This option for the F–16 Block 40–52 aircraft provides essentially the same capability as new "4.5 Generation" fighters at 10 to 15 percent of the cost. SLEP programs for current fighters and aggressive F–35 program management will be essential to maintain fighter capability and will be reviewed as part of the FY12 budget process.

Mr. LAMBORN. In your testimony, you stated that the initial fighter gap numbers were based on a yearly production rate of 48 for the F–35, but now you anticipate a production rate of 80. You also mentioned that given these new numbers, a ceiling lowering from 2200 to 2024 aircraft and 48/yr growing to 80/yr, that the total fighter gap would only be 200 aircraft which was "within the realm of the manageable depending on what we do to renovate existing airplanes." What are your specific plans for renovating existing airplanes? Which aircraft are designated to receive service life extensions or other modernizations to help make sure that the fighter remains in the realm of the manageable? Is the money for these upgrades in the existing President's Budget proposal? If so, how much by aircraft/upgrade?

General SCHWARTZ. The AF will continue to modernize and sustain legacy fighter aircraft as part of an active force management plan. Modernization plans include upgrades to Active Electronically Scanned Array (AESA) radars, integration of advanced weapons, development of infrared search and track capability, and digital data links to support communications and navigation. Specifically for individual platforms:

A–10 modernization programs include Precision Engagement which integrates smart weapons and advanced targeting pods; adds color displays, moving map, and Hands-on Throttle and Stick (HOTAS); improves mission effectiveness through rapid target acquisition and identification. Installations will complete in FY11 at a total program cost of $388M. Digital Data Link adds Situational Awareness Data Link radios across fleet. These installations will complete in FY10 at a total program cost of $55.1M. Mode S/5 will meet international Air Traffic Management standards and provide enhanced Identification Friend or Foe (IFF) capability. These installations will complete in FY13 at a total program cost of $40.1M. Extended Duration Covert Infrared Countermeasures System which automates identification of infrared surface-to-air threats and dispensing of countermeasures are funded within the FY11 OCO, with installations completing in FY12 at a total program cost of $63.7M.

A–10 life extension programs include Service Life Extension Program (SLEP) which is scheduled after 8,000 flying hours and provides detailed structural evaluation and repair. It also includes Scheduled Structural Inspection (SSI) which follows SLEP at 2,000 flying-hour intervals as well as the Wing Replacement Program (WRP) that replaces 233 thin-skin wings with redesigned thick-skin wing incorporating a number of structural improvements. Thin-skin wings will be replaced during SLEP/SSI, starting in 4th Qtr FY10 with installations (funded with Operation and Maintenance dollars) complete in FY16 at a total program cost of $1.2B.

F–16 modernization programs include integration of new precision weapons, advanced targeting pods, and improved avionics. It is included in the FY11 PB request at $84.5M (RDT&E). $31.7M for Falcon STAR (APAF) to bring life-limiting components to the planned service life of 8,000 equivalent flight hours and $20M (RDT&E) to initiate a full scale fatigue test to scope the additional modifications required to extend the life of the newer F–16s (Blocks 40–52) beyond their design life of 8,000

equivalent flight hours. Funding to complete the full scale fatigue test and to do other F-16 upgrades will be addressed in future budgets.

The F–15 has funded upgrade programs to address both operational effectiveness and sustainment. Both F–15C/D and F–15E have existing programs that will replace legacy mechanically-scanned radars with Active Electronically Scanned Array (AESA) radars. AESA radars provide a significant improvement in reliability and maintainability while giving the aircraft a radar that has greater power, range and versatility. Also, both F–15C/D and F–15E are receiving an upgraded computer to allow the aircraft to use the full capabilities of the new radars. All four of these programs will extend past the Fiscal Year Defense Plan (FYDP), but the estimated costs are: F–15C/D AESA radar $1.5B, F–15C/D computer $180M, F–15E AESA radar $2.5B, and F–15E computer $165M.

Other modernization upgrades include a new Infrared Search and Track (IRST) sensor, under development, for the F–15C/D to provide target tracking and engagement data to supplement the radar for an estimated $400M; satellite communications for both F–15 C/D and F–15E for an estimated $65M and $60M, respectively. Also new solid state data recorders are replacing old magnetic tape recorders for approximately $56M.

Sustainment upgrades are critical, especially given the extended service life expected of the F–15. Each aircraft undergoes Programmed Depot Maintenance in which the aircraft are periodically fully inspected for wear-related damage. Additionally, the Air Force has just started a full scale teardown, and a full scale fatigue test of the F–15C. These tests will provide data needed to plan the sustainment of the aircraft in the future. The F–15E is scheduled to start these efforts as soon as they are completed on the F–15C/D.

Mr. LAMBORN. In your testimony regarding Operational Responsive Space (ORS), you stated that another approach to space resilience is "being able to discern whether our platforms on orbit are at risk or are being threatened." I am glad to see these Space Situational Awareness initiatives have received a plus up in funding, but at the same time our defensive and offensive programs to respond to these threats, our space control programs, received a 40% decrease from FY10 funding (206.1 million down to 124.0 million). My concern is that we will know we are being attacked, but due to these cuts, we will be unable to react. Were the cuts in the space control budget primarily to offensive or defensive capabilities? Which programs were cut and what was the reasoning behind the cuts?

General SCHWARTZ. The space domain is becoming more congested and contested, which is why it is increasingly important to focus on developing a more capable Space Situational Awareness (SSA) capability with decision support tools, the foundation for all space control activities. These SSA and decision support capabilities will allow us to evaluate threats and take appropriate actions. Space control capabilities are a valuable element of our space portfolio. The reduction in funding from $92.1M in FY10 to $65.9M in FY11 was planned primarily due to the Rapid Attack Identification and Reporting System transitioning from development to the sustainment/enhancement phase and the Counter Communications System conducting a pre-planned product improvement incremental improvement vice a new development effort.

Mr. LAMBORN. The Army's procurement request includes $506.31 million to buy 26 MQ–1 Predator UAVs. I understand the vital role UAVs play in the current fight and our national defense. I also know that the U.S. Army currently fields and flies many smaller UAVs, but the United States Air Force has been the DOD lead in Predator operations. Was the Air Force consulted in the Army's Predator procurement plan? Will these Predators offset the number of CAPs the Air Force has been tasked to produce (50 in FY10 and 65 by FY11)?

General SCHWARTZ. The Air Force was generally aware of the Army's plan to procure the MQ–1 to address their organic Service needs, but was not "consulted" directly. The Air Force program will not be offset by the Army procurement. The Air Force has been tasked and is on track to provide 50 MQ–1/9 CAPs by the end of FY11 and 65 by the end of FY13.

QUESTIONS SUBMITTED BY MR. BRIGHT

Mr. BRIGHT. Secretary Donley: Several years ago, the Air Force established the Application Software Assurance Center of Excellence (ASACoE) at Maxwell AFB—Gunter Annex in Montgomery, Alabama. I have toured the facility and been briefed on the Center's activities. I greatly value the work they are doing to provide application-level security to protect us from cyber attacks. As such, I have several questions related to the Center's mission, operation and funding. 1) Can you explain the goals

and objectives of the Center and how you plan to achieve those goals and objectives? 2) My understanding is that a major focus of the Center's mission has been to develop application-level security best practices that can be put in place Air Force-wide. Does this remain a primary focus? 3) What progress has been made towards reaching this objective? 4) As the Center has been in operation since 2007, can you tell me what are some of the more significant findings that have come from the work at the Center? 5) Can you also explain how the Center will be aligned within the structure of the new Cyber Security Command that was recently stood up? 6) What is the long term plan for providing manpower and funding to complete the Center's mission? 7) Also with respect to funding, could you tell me how much funding is included in the FY2011 President's Budget to operate the Center and conduct the evaluations? 8) Moreover, at this funding level, how many applications will you be able to evaluate? 9) Finally, if you had additional resources, would you be able to move faster in evaluating the applications?

Secretary DONLEY. 1) The Application Software Assurance Center of Excellence (ASACoE) was established to help promote and assess software assurance (SwA) in the Air Force. The goals and objectives of ASACoE are to: partner with application development program offices to identify SwA issues and mitigations; foster SwA knowledge; support SwA as part of certification and accreditation; establish a framework to support the acquisition and development of assured software products and assist governing bodies with developing SwA policy. ASACoE has been evolving to achieve these goals and objectives over the last 2 years. Our current model utilizes SwA training and education, automated SwA tools and licensing, on-site SwA assessments, and follow-on support.

2) Yes, the primary objective of the ASACoE remains to improve upon the assurance of combat and mission support applications and their underlying data.

3) To date, ASACoE has partnered with over 120 separate program management offices (PMOs) providing SwA training and evaluation for over 500 applications. This resulted in identifying approx 3.5 million software vulnerabilities and gave the PMOs the training and tools needed to fix those current vulnerabilities and prevent future vulnerabilities.

4) ASACoE focused on the most vulnerable systems and applications, which are web-based. Additionally, the ASACoE has, aided with the security of our more secure, critical systems, such as the embedded systems of our weapons arsenal and classified systems of our strategic and intelligence forces. The ASACoE found every application assessed has software vulnerabilities, with 99% of the applications assessed having what we categorize as critical vulnerabilities. A critical vulnerability is one that would allow a potential hacker to gain elevated access to the application and/or its data. The top three vulnerabilities found in Air Force applications are: cross-site scripting, SQL injection, and trust boundary violation (excessive privilege). The data suggests that the Department of Defense must focus on securing the work of the net (applications and data structures) in addition to the network itself. Our ASACoE effort was listed as an OSD best practice in the "Report on Trusted Defense Systems" prepared by USD(AT&L) and ASD(NII)/DOD CIO submitted to Congress in September 2009.

5) Currently the ASACoE continues to be aligned under Air Force Materiel Command. Any future re-alignment has not been determined.

6) Currently, the Air Force is evaluating the best way to provide SwA. This includes evaluating the most cost effective and qualitative way to ensure that SwA is performed on all existing and future applications. This includes evaluating whether to centrally perform SwA evaluation or require it to be performed by each application owner and developer.

7) There is currently no FY2011 funding identified. ASACoE has been operating from unfunded requests. There are currently efforts being made to secure funding for ASACoE if it is the most cost effective and qualitative solution for SwA.

8) No FY2011 funding is identified. The Air Force is evaluating the best way to provide SwA.

9) The ASACoE is conducting market research to develop a streamlined concept of operations that would allow the Air Force to assess the approximately 3,000–5,000 web applications in existence today. In this revised concept, the team is reviewing the use/development of a web-based portal to upload source code to allow the completion of a rapid triage assessment for these applications within a 10–16 month period. This could allow expansion to potentially enhance quick scan capabilities, improve prioritization for services, and improve the training curriculum.

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