

**DEPARTMENT OF DEFENSE APPROPRIATIONS
FOR FISCAL YEAR 2008**

WEDNESDAY, FEBRUARY 28, 2007

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

The subcommittee met at 10:40 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Dorgan, Stevens, Cochran, and Domenici.

DEPARTMENT OF DEFENSE

STATEMENT OF HON. GORDON ENGLAND, DEPUTY SECRETARY OF DEFENSE

ACCOMPANIED BY:

ADMIRAL EDMUND P. GIAMBASTIANI, JR., VICE CHAIRMAN, JOINT CHIEFS OF STAFF

HON. TINA JONAS, UNDER SECRETARY OF DEFENSE (COMPTROLLER)

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. The hearing will please come to order.

Mr. Secretary, we appreciate your appearing before the subcommittee as we begin our review of your administration's fiscal year 2008 Department of Defense (DOD) budget request. We would also like to welcome the Comptroller, the Honorable Ms. Jonas, Under Secretary of Defense, and the Vice Chairman of the Joint Chiefs of Staff, Admiral Giambastiani.

The budget request before the subcommittee is \$463.2 billion, an increase of 11 percent over the fiscal year 2007 budget. In addition, the Department is requesting \$141 billion to continue the global war on terror in fiscal year 2008. These two budgets bring the total requests for DOD's operations in fiscal year 2008 to \$604.2 billion, representing an enormous investment for the American taxpayer, an investment which, although necessary, has the unintended consequence of reducing opportunities to invest in other critically important sectors such as education and health.

Mr. Secretary, we share your mandate to assure a strong defense for our Nation and look forward to discussing these defense priorities and challenges, and I believe every member of this subcommittee will agree that our men and women in uniform deserve the best leadership, equipment, and training that can be provided.

We also expect them to receive fair compensation and compassionate care when wounded or ill.

As stewards of our national treasure, we must be sure that these funds are efficiently and effectively getting the best value for the American people. It's imperative. Today and over the course of the next several weeks we look forward to hearing what steps DOD is taking to reduce costs and improve business practices so that future budget requests avoid unwarranted cost increases.

Secretary England, I thank you for appearing today. Your full statement is made part of the record, but before we begin, may I turn to my vice chairman, the Senator from Alaska, Mr. Stevens, for his opening remarks.

Senator STEVENS. Thank you very much, Mr. Chairman. In view of the delay, I won't make any opening. Just put mine in the record. I welcome the Secretary, Ms. Jonas, and the Admiral also, that we rely on very greatly in terms of their presentations.

[The statement follows:]

PREPARED STATEMENT OF SENATOR TED STEVENS

I join the Chairman in welcoming our witnesses here today. Thank you all for your service and for appearing here to discuss the fiscal year 2008 budget request.

We face a difficult task in balancing the military's competing requirements for modernization, maintaining force readiness, and improving the quality of life for our military service members and their families. As we all know, the demand for funding far surpasses the amounts available. We look forward to working with you to meet the most pressing needs. I look forward to hearing your testimony here today.

Thank you, Mr. Chairman.

Senator INOUE. Mr. Secretary.

Mr. ENGLAND. Mr. Chairman, thank you, and Senator Stevens, members of the subcommittee. It is our pleasure to be with you today. The statement is in the record, so I'm frankly just going to say a word or two. That is, I know you had a long session yesterday with the Secretary and with General Pace, and so I believe you have our perspective on the budget at this time.

So today, Tina Jonas, the Comptroller, and Admiral Giambastiani, the Vice Chairman, and myself would like to provide whatever clarifying we can today to build on the testimony yesterday. We're pleased to do that. We're also obviously pleased to meet with you or your staff or members on any issue that you may have as we go forward.

PREPARED STATEMENT

So rather than have a lengthy commentary at the beginning here, we are ready for your questions, and we appreciate the opportunity to be able to expand on yesterday's hearing. Thank you for the opportunity to be with you today.

Senator INOUE. Thank you very much, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF HON. GORDON ENGLAND

Chairman Inouye, Senator Stevens, members of the Senate Appropriations Subcommittee on Defense, thank you for the invitation to discuss the defense budget requests. And thank you for your continuing support for all of our men and women in uniform and their civilian counterparts. We all share a common objective—to protect and defend America, and to prepare the men and women of the Department of Defense to help do so.

The Vice Chairman of the Joint Chiefs of Staff Admiral Giambastiani and the Under Secretary of Defense (Comptroller) Ms. Jonas are here with me, and the three of us look forward to your questions.

CONTEXT AND VISION

When authorized, the defense budget request will provide our joint warfighters with what they need to accomplish their mission of protecting and defending America—our land, our people and our way of life. The mission is to defeat terrorists, protect the homeland, and deter and if necessary defeat future threats. Iran, North Korea, and China—in different ways—are currently the most worrisome concerns.

It is important not to lose sight of the long-term strategic picture while we prosecute the current war. The Department still requires systems to deter or dissuade possible future threats. It is a lot less expensive to deter and dissuade, than to fight and defeat. It is important both to fund near-term tactical expenses and to invest in long-term deterrence, or the Nation will be at risk. Finding the balance is—as always—a challenge for the Department and for the Nation.

The budget requests currently before you will achieve the following things:

- Make the necessary strategic investments to modernize to meet current and future security challenges and to recapitalize joint warfighting capabilities;
- Sustain the all-volunteer military by increasing ground forces, reducing stress on the force, and improving the quality of life for our servicemembers and their families;
- Improve readiness throughout the force through additional training and maintenance, and more timely force reset after deployment;
- Enable the United States and partner nations to achieve success in the war on terror—in Iraq, in Afghanistan, and around the world.

BUDGET REQUESTS

There are three requests before the Congress. The President's request for fiscal year 2008 includes the base defense budget request for \$481.4 billion and \$141.7 billion to fight the global war on terror. The fiscal year 2007 Emergency Supplemental Appropriation request for the Global War on Terror is \$93.4 billion. The total request is \$716.5 billion.

These numbers are undoubtedly large. They exceed the defense spending of America's closest allies—and the entire GDP of many of our close partners. But they also reflect the realities and responsibilities of this Department—what is required to adequately protect and defend America, now and in the future.

Let me first describe the “theory of the case” for using these three categories, then review what each of the requests buys the Nation in terms of security and defense.

CATEGORIES

In general, the base budget funds the Department's mission to “man, organize, train and equip” America's armed forces. The base budget captures and balances the costs of sustaining the force, with the costs of investing in capabilities needed to meet emergent security challenges.

Supplementals, in turn, have been used to finance the ongoing costs of contingency operations, including costs of the global war on terror. Iraq- and Afghanistan-related costs account for most of the total. One helpful way to think about this category is that it includes “emergency” costs, brought about by the current war effort, which the Department would otherwise not have had at this time.

In Title IX of the fiscal year 2007 DOD Appropriations Act, Congress appropriated \$70 billion in emergency funds to the Department. One of the budget requests now before you is the Department's fiscal year 2007 supplemental request, to continue to support war-related costs for the rest of the current fiscal year.

In fiscal year 2008, the approach is somewhat different. In the National Defense Authorization Act for Fiscal Year 2007, the Congress directed the President to submit the full-year costs of ongoing operations in the war on terror in the defense budget.¹ Accordingly, the global war on terror request for fiscal year 2008 is being submitted as part of the defense budget. Substantively, it covers the same kinds of requirements addressed in previous supplementals. Since it addresses the inherently changeable circumstances of war, accurately predicting requirements is difficult, so the Department has used projections based on current monthly war costs.

¹Pursuant to Section 1105.

WHAT THE BASE BUDGET BUYS

Broadly, the base budget breaks down into several major categories—balanced between people and equipment, and between current and future needs. For 2008, those categories, and their amounts, are:

[Dollars in billions]

	Amount	Percent
Readiness and support ¹	(\$146.5)	30
Strategic modernization ²	(176.8)	38
Military pay and healthcare ³	(137.0)	28
Facilities ⁴	(21.1)	4

¹Readiness and support is about the ability to provide warfighting capabilities whenever and wherever the Nation needs them: Readiness \$65.9 billion; Base operations and recruiting \$59.9 billion; Maintain equipment and buildings \$18.2 billion; Commissaries \$2.5 billion.

²Strategic modernization is based on a long-term view of the capabilities required to succeed against current and possible future adversaries: Navy and aircraft \$62.4 billion; aircraft and satellites \$50.9 billion; ground capabilities and support systems \$37.8 billion; research and development to include science and technology, and chemical and biological defense \$16.8 billion; Missile Defense Agency \$8.9 billion.

³The military pay and healthcare category is about taking care of our military and their families. It includes pay for the 1.3 million active component and 0.8 million reserve component members \$98.3 billion; and one of the best health care systems in the world, for military and dependents \$38.7 billion, which reflects a –\$1.9 billion adjustment for anticipated savings for DOD's sustaining benefit proposal.

⁴Facilities costs include: Family housing \$2.9 billion; BRAC implementation \$8.4 billion; Operational and training facilities, troop housing, and base infrastructure \$9.8 billion.

This base budget request includes an increase of \$49.4 billion over the enacted budget for fiscal year 2007. Some of the top priorities are as follows:

The Department's top priority—and our greatest asset—is our people. America continues to be blessed that in every generation, brave men and women have stepped forward to serve a cause higher than themselves. The Department responds by continuing to support a high quality of life for our servicemembers. Almost one-third of the base budget is allocated to taking care of our men and women in uniform, and their families.

The Department's success in this regard is reflected in the services' ongoing ability to meet recruiting and retention goals.

AC recruiting.—All four services met or exceeded recruiting goals throughout fiscal year 2006, and have continued to do so through January 2007. AC recruiting as a percent of goal, over time:

	Fiscal year 2006	Oct. 2006	Nov. 2006	Dec. 2006	Jan. 2007
USA	101	108	105	123	111
USN	100	100	100	100	100
USMC	100	101	104	110	108
USAF	100	100	100	100	100

RC accessions.—In January 2007, four of six components exceeded their goals:

	Fiscal year 2006	Oct. 2006	Nov. 2006	Dec. 2006	Jan. 2007
ARNG	99	123	113	119	101
USAR	95	98	79	102	99
USNR	87	87	91	80	93
USMCR	100	102	102	104	102
ANG	97	117	115	105	103
USAFR	106	100	100	105	103

AC retention.—In January 2007, AC retention was solid—USAF and USMC are meeting or exceeding overall retention missions. USA is exceeding its year-to-date mission; while USN met 93 percent of its mission.

RC attrition.—For the most recently available month, December 2006, attrition in all reserve components was well within acceptable limits—as it has been since at least the beginning of fiscal year 2006.

Though not directly reflected numerically, recent policy changes concerning the use of the Guard and Reserves will allow servicemembers more predictable mobilization schedules—and more time with their families—also directly improving quality of life.

New in this budget request is support for increasing the permanent endstrength of the Army and Marine Corps. Recently, the President announced the plan to increase the total ground forces by 92,000, by fiscal year 2012. The Army will grow from 482,400 to 547,400, and the Marine Corps from 175,000 to 202,000. The Department adds \$12.1 billion in the fiscal year 2008 base budget to support the first

step—an increase of 7,000 soldiers and 5,000 marines. Based on a continuing need for military forces, the endstrength increase will improve the ratio of time spent deployed versus time at home, in turn reducing stress on individuals and families.

The increase in requested funds to improve readiness and support—\$16.8 billion more than enacted for fiscal year 2007—reflects lessons learned from current engagements about the changing nature of warfare and the need to be better prepared for it. Almost half of the requested increase will support training—increased full-spectrum training; combat training center rotations; sustained air crew training; and increased steaming days for ships.

The increase in funds for readiness and support will also support the Department's move toward greater net-centricity—a system of networks and approaches designed to make information available to whomever needs it, wherever they are, in real time. This is an integral part of the Department's approach to 21st century warfighting.

The single largest category in the base budget request is strategic modernization—making sure the Department has the weapons systems needed, in every domain—ground, air, maritime, space and cyberspace—to meet the full array of emerging security challenges. Major investments in these domains, in fiscal year 2008, include:

—*Future Combat Systems (\$3.7 billion).*—FCS, including unmanned aerial vehicles, manned and unmanned ground vehicles, and other linked systems, is the Army's first comprehensive modernization program in a generation. This is the Army's way forward.

—*Joint Strike Fighter (\$6.1 billion).*—This international program provides the next-generation strike aircraft in three variants designed to meet the different needs of the Air Force, the Navy, and the Marine Corps, and our friends and allies. The program includes international partnerships with 8 countries—based on shared investment, full interoperability, and thus a concrete, shared stake in the future.

—*Shipbuilding/Joint Maritime Capabilities (\$14.4 billion).*—The 2008 request supports the Navy's long-range shipbuilding plan, designed to produce a versatile 313-ship Navy by 2020. The increase of \$3.2 billion over last year primarily supports the next-generation aircraft carrier, the CVN-21; and the LPD 17 amphibious transport ship. (The \$14.4 billion includes Army funding for the Joint High Speed Vessel.)

The base budget is currently under relatively greater pressure than in past years, because the average age of equipment is rising. In fiscal year 2006, the average age of nuclear attack submarines was about 18 years; of the Air Force's strategic airlift—15 years; of tactical fighters—20 years; of tactical airlift—26 years. It is important to address some of these issues now, since older equipment, as a rule, costs more to maintain and has lower operational availability.

One of the most critical recapitalization challenges is the Air Force's KC-135 tanker fleet, whose current average age is 45 years. The Air Force has announced a competition to replace this aircraft with the KC-X, which will be able to carry cargo and passengers, and comes equipped with defensive systems. This platform is the Air Force's number one acquisition priority, essential for total force global operations.

The end of the Cold War changed the calculus concerning the primary missile threat the United States faces—but in an increasingly proliferated world, the threat is more multi-faceted and less predictable than ever before. The United States is deeply concerned about missile developments in North Korea and Iran, and wary of China's recent use of ballistic missile technology to destroy space assets. Many other countries have or are seeking ballistic missiles.

The missile defense "good news story" is that with support from the Congress, the Department has already fielded an integrated missile defense capability that continues to get stronger and more effective. International missile defense cooperation with the United States continues to grow—in Europe, Asia and the Middle East. This budget request seeks \$9.9 billion to continue that progress.²

In today's security environment, no single nation can successfully meet all the challenges alone. A critical part of the Department's strategic vision—highlighted in the 2006 Quadrennial Defense Review—is the importance of international partnerships. The Department is vigorously engaged in updating long-standing alliances, and reaching out to new partners around the world. NDAA 2007 provided a very helpful catalyst for this effort, in the section 1206 authority for the Departments

² Includes \$8.9 billion for the Missile Defense Agency; \$0.6 billion for Patriot PAC-3; \$0.4 billion for Patriot/MEADS CAP.

of Defense and State to train and equip partner nations' forces. The 2008 base budget request includes \$500 million in dedicated funding for this critical initiative.

WHAT THE 2007 SUPPLEMENTAL BUYS

Before the Congress are two requests to fund war costs—the fiscal year 2007 Emergency Supplemental Appropriation request, and the fiscal year 2008 global war on terror request. They cover similar substantive ground—in three major categories: continuing the fight, increasing ground forces, and accelerating reconstitution.

The 2007 Emergency Supplemental request breaks down this way:

[In billions of dollars]

	Amount
Continuing the Fight ¹	65.0
Ground Forces ²	10.9
Reconstitution	13.9
Non-DOD Classified	3.6

¹ Operations \$39.3 billion; Force Protection and IED Defeat \$10.4 billion; Military intelligence \$2.7 billion; Security Forces \$9.7 billion; Coalition Support and CERP \$1.5 billion; Military Construction \$1.1 billion; Regional War on Terror \$0.3 billion.

² Accelerate Brigade Combat Teams and Regimental Combat Teams \$3.6 billion; Grow the Force \$1.7 billion; U.S. Forces "plus up" \$5.6 billion.

The Department's single greatest focus for our deployed men and women is force protection. Today, the single deadliest threat to our forces comes from Improvised Explosive Devices (IEDs). The terrorists who use them are highly creative and adaptive, they make use of relatively unsophisticated technologies to deadly effect, and they share "lessons learned" in real time. The Department is grateful for the support from Congress to date that has allowed the very rapid development and fielding of counter-measures. It remains critically important to continue this investment.

The most critical element of the supplemental request is reconstitution—repairing and replacing equipment destroyed, damaged, or otherwise stressed from the demands of warfighting, to restore DOD inventories. When equipment is lost, the Department has a methodology for replacing it—with the latest appropriate model, not with something obsolete. The 2007 supplemental includes these costs.

This 2007 supplemental request includes funds for the "plus up" of U.S. forces deploying in support of Operation Iraqi Freedom. As the President has described, the additional forces are part of the Nation's new way forward in Iraq. As the incoming commander of Multi-National Forces-Iraq recently testified, their success will depend not only on their numbers, but also on their partnership with their Iraqi counterparts. The total cost of the "plus up" is projected to be \$5.6 billion. Costs include supporting the deployment of five brigade combat teams and an enhanced naval presence. This estimate may be increased by additional support troops, depending on commanders' needs.

America's most direct partners in building stable and secure environments in Iraq and Afghanistan are the security forces—the military and the police—of those two countries. Ultimately, they and their political leaders bear the responsibility for establishing conditions for peace and prosperity, including standing up sufficient forces to assume security responsibility for their countries. The United States plays a supporting role—through training, equipping, mentoring and helping to sustain those forces.

Substantial progress has already been made. In Iraq, for example, well over 300,000 Iraqi security forces have been trained and equipped, and Iraqis have assumed full security responsibility for 3 of 18 provinces. Next steps include enhanced embedding of U.S. forces to help increase Iraqis' ability to assume full control of security. In Afghanistan, one of the most important elements of the strategy to counter the Taliban and Al Qaeda is ensuring an indigenous Afghan capability to conduct independent counter-insurgency operations. The 2007 supplemental request seeks \$3.8 billion for further support to the Iraqi security forces, and \$5.9 billion for the Afghan security forces.

Successful counter-insurgency requires the application of all instruments of national power—there is no exclusively military solution. Economic development and security are two sides of the same coin—in the short term, you need security to get the economy going; while in the long term, you can't have security without economic development. In the early days of Operation Iraqi Freedom, commanders on the ground recognized the importance of helping to jump-start the local economy. The Commanders' Emergency Response Program (CERP) provided limited but immediately-available funds, to make a concrete difference in people's daily lives. Many

commanders considered CERP the most powerful tool in their arsenal. This fiscal year 2007 supplemental request includes \$456 million to continue CERP.

One very important caveat: It is vitally important to the Department that the fiscal year 2007 supplemental be approved by Congress in a timely manner. By mid-April, if the request is not approved, the Department will need to begin reprogramming other funds—with all the associated disruptions to other efforts.

WHAT THE 2008 GWOT REQUEST BUYS

The fiscal year 2008 global war on terror request, for \$141.7 billion, covers similar requirements, and will continue past the fiscal year 2007 supplemental.

The GWOT Request breaks into the following major categories:

[In billions of dollars]

	Amount
Continuing the Fight ¹	96.6
Ground Forces ²	1.6
Reconstitution	37.6
Non-DOD Classified	5.9

¹ Operations \$70.6 billion; Force Protection and IED Defeat \$15.2 billion; Military intelligence \$2.7 billion; Security Forces \$4.7 billion; Coalition Support and CERP \$2.7 billion; Military construction \$0.7 billion.

² Accelerate Brigade Combat Teams and Regimental Combat Teams \$1.6 billion.

The GWOT request devotes \$15.2 billion to continue force protection efforts—including technology to disrupt attacks, vehicles with V-shaped hulls to better withstand blasts, and a new generation of body armor.

Successful counter-insurgency efforts in Iraq and Afghanistan, and more broadly in the war on terror, continue to require the closest possible partnership with host nations, and the application of the full spectrum of political, economic and security tools. The GWOT request includes \$4.7 billion to continue the establishment of Iraqi and Afghan Security Forces, and nearly \$1 billion for the CERP program.

CONCLUSION

The Department recognizes that the three requests before the Congress represent an enormous amount of the taxpayers' money. The Department also recognizes its fiduciary responsibility to spend those funds wisely. Detailed supporting data and rationale have been provided for each dollar requested, and staff from the Military Departments and from the Office of the Secretary of Defense are available for discussion and clarification.

Lastly, the Department is actively improving its processes to be more efficient and effective in all of its activities.

Chairman Inouye, Senator Stevens, thank you for your support of our men and women in uniform. And thank you to each member of this subcommittee, for your support for all the brave men and women who wear the cloth of this Nation. We look forward to your questions.

Senator INOUE. Would the others wish to testify? Ms. Jonas.

Ms. JONAS. I have no statement, sir.

Senator INOUE. Admiral Giambastiani.

Admiral GIAMBASTIANI. No statement, sir.

Senator INOUE. Then, if I may, I'd like to begin.

RECRUITING

Mr. Secretary, the Department recently announced to increase the permanent end strength of the Army and the Marine Corps, and so you put on additional pressure to achieve a high recruiting and retention level. This budget provides \$2.7 billion for recruiting bonuses and retention incentives. Do you believe that this is sufficient to bring up the end strength results?

Mr. ENGLAND. Mr. Chairman, we do. We have met all our services for 18 months running in terms of our recruiting, and so we are increasing the Army by 7,000 and the Marine Corps by 5,000

a year. Our retention is very good, our recruiting is very strong, and, in fact, it's above our objectives here in the last few months.

So, yes, we do believe that that is adequate, and both the Army and the Marine Corps are confident that they can grow the force by that 7,000 and 5,000 a year that we have projected in the budget.

Senator INOUE. Because the talk on the street is that recruiting hasn't been as good as anticipated. Is that correct?

Mr. ENGLAND. Mr. Chairman, not my understanding. I mean, all the data I have looked at is that recruiting continues to be very strong. The Army is actually ahead of where they thought they would be this year in terms of the manpower, so we actually start out this year better than we thought in terms of growing the force.

So the data I have available, that's not the case, Mr. Chairman. The Army is doing very, very well, and they have for 18 months. Marine Corps meets their objective every time. I believe the only case where we are down at all is, Navy Reserve is down slightly, but as you know the Navy has also been decreasing the size of the force, so that's sort of a corollary to that decrease. Otherwise, all the recruiting and all the retention numbers remain very high.

Admiral GIAMBASTIANI. If I could just add to that, Mr. Chairman—

Senator INOUE. Admiral.

Admiral GIAMBASTIANI [continuing]. Recruiting is tough every day, but I agree completely with the Deputy Secretary that we have sufficient resources and we've put sufficient personnel and the budget figures are sufficient to be able to allow us to do what we're doing to increase the size of the Army and the Marine Corps.

Senator INOUE. Well, I had this question because the Congressional Research Service (CRS) indicated that in fiscal year 2006 the Army fell 9 percent short, and this was a 6 percent drop from the previous year, but you're satisfied?

Mr. ENGLAND. Yes, sir, we are. Again, all my data says the Army and Marine Corps are both doing very well in terms of their recruiting and retention, and we've seen no slack in there. I mean, frankly, it is hard because the number of youth available is relatively small in terms of meeting the criteria for the military, but so far, God bless America, we've had great Americans willing to serve, and that continues.

Admiral GIAMBASTIANI. Mr. Chairman, I believe that fiscal year 2006 is the largest and most successful year of Army recruiting in about 15 years. It's the largest number we've brought in. In fact, what the Chief of Staff of the Army likes to say is that they have recruited essentially the entire Marine Corps, between the Army active forces, Army Reserve, and National Guard, when you put them all together—almost 180,000.

C-17

Senator INOUE. Well, Mr. Secretary, your budget appears to begin shutting down the C-17 production line. It appears that there are several new factors affecting that decision: the increases in the Army and Marine Corps end strength; spiraling costs in the C-5 reengining; and the possible creation of a dedicated naval C-17 fleet. In the absence of new studies on the strategic lift require-

ment, are you certain that closing the C-17 production line is a wise course of action?

Mr. ENGLAND. Mr. Chairman, we will take a look again based on the increased size of the force, but the last study we conducted, we added one airplane last year, but in total between the Congress and ourselves the number of airplanes went up by 10 last year, so we are now 10 above or 9 above where our studies indicated, which I believe was 181 airplanes for C-17s as a result of the study. So we're now at about 190 airplanes, about 10 above that study.

My expectation is, that's going to be more than adequate along with the C-5A upgrade, and the C-5 upgrade is proceeding well at this point. So it's probably a valid question, at least to take a look one more time based on a larger force, to make sure that we can handle that, and we will go back and update that study just to make sure. But we now have about 10—we now have authorized 10 C-17s more than the study last year indicated we would need for the force. But we will take a look at it based on the increased size of the force.

Senator INOUE. Mr. Secretary, excuse me. I've got a cold. You have requested \$111 million for the North Atlantic Treaty Organization (NATO) C-17. What is the status of negotiations with NATO on buying and supporting and operating C-17s?

Mr. ENGLAND. Mr. Chairman, still ongoing. We have I believe at this point three and one-half airplanes committed, including the one airplane that the United States would commit to. We were looking for four airplanes that would be available under NATO markings, so all the NATO member nations would have so many hours per year, that is so that a nation would not have to buy a whole C-17 but they could buy flying hours, like 500 hours a year or some number.

So we now have a number of nations, and that consortium is at three and a half airplanes. On the other hand, we have had some frankly problems in getting this implemented with NATO because of resistance of a few of the countries in NATO, so we continue to work this.

It is very important because the one shortcoming of NATO is strategic lift, so if we can get through this hurdle with NATO, then we do provide a capability in Europe of strategic lift, and it does ease the pressure somewhat on us, where now we have to provide a lot of the strategic lift whenever those forces are moved into theater. So this is a very good way to get NATO involved, a very good way for NATO to have a capability, but the answer is we're still in that negotiation, Mr. Chairman. We don't have that as a clear way ahead yet, but we're still working it.

Senator INOUE. Well, do you have a level of confidence it will happen?

Mr. ENGLAND. Yes, sir, I do have a level of confidence. I'll tell you we've worked this very hard because it's so important in NATO. There's just specifically two countries that have been resisting this. We believe that we have a way ahead. In fact, we just had discussions yesterday and the day before on this subject. So I believe we will have a way ahead on this, and it is an important initiative for us and for NATO.

Admiral GIAMBASTIANI. Mr. Chairman, if I could just add to that—

Senator INOUE. Yes, sir.

NORTH ATLANTIC TREATY ORGANIZATION

Admiral GIAMBASTIANI [continuing]. From the military side, having been a NATO Supreme Allied Commander, General Jones and I worked very hard to describe the military requirement of this side, and frankly the alliance is very strong on the need for strategic airlift and the ability to come up with any way to make this happen. In this case the consortium is very welcome by essentially all the militaries inside NATO.

I'm speaking as a former commander now, and I would just tell you that I see great things for this because it will give NATO a capability we simply do not have. I would also add, though, that there are one or two other countries who are part of this consortium that are not NATO members. Sweden is an example of that. So there are other members who want to buy hours, if you will, within the consortium. Thank you.

Senator INOUE. Than you very much.

Mr. Secretary, I have many other questions, but as you can see, it is difficult for my voice, so may I call upon the vice chairman?

Mr. ENGLAND. Please.

Senator STEVENS. Well, thank you, Mr. Chairman.

Mr. Secretary, I share the chairman's concern over the C-17. Neither one of us have production in our State, but we have sort of a personal feeling about this because we remember that that plane was almost killed by the other three defense committees, and we believed it should be our next generation cargo plane. Now, do you have a follow-on for the C-17 in the works?

Mr. ENGLAND. No, sir, we don't. C-17 of course will last us a long time. Senator Stevens, I mean, at some point we do have to stop the production of the airplane, and all of our analysis supported 180 airplanes. We're now 10 above that. We have some going to NATO, hopefully another four or so. Some other countries have bought some C-17s. So the question is, when do we have enough?

We are modifying the C-5. There are some advantages to C-5 because it takes outside cargo that a C-17 does not carry, so they're complementary in some respects, and of course we're investing heavily in that upgrade program.

The question is, when do we stop production? All the analysis indicates that we have a sufficient quantity but, as I indicated to the chairman, based on the fact that the force is growing, we will take a look at that study and update it. But at some point we do have to, even if we were to continue, I mean, at some point we do end up with a sufficient number of airplanes. And if we keep putting money into C-17s, then frankly money comes out of some other investment category, and so we always have this tradeoff in terms of what's the greatest priority need. That was our decision last year, but again we'll look at it based on a larger force.

Senator STEVENS. Well, the C-5 has been up and down, had to be rewired and reengineered and a lot of other things, and I understand why you're keeping it as a fallback for outsized equipment, but when we're facing the situation we are now where we're going

to bring, what, 60,000 troops back to the continent? Actually, with the increase in end strength the numbers will be at least 90,000 more, as I understand. The whole concept of our military policy now is rapid deployment by air, no matter where they go in the world.

I just share the fear about closing that line down, it wouldn't be too easy to reopen it. Maybe we ought to ask for a classified briefing from you in terms of what you see in the future as far as the need for air transport for the total force. It's just a worrisome thing.

BASE REALIGNMENT AND CLOSURE

As we talk about this return to the continent, what's going to be the situation with regard to overseas base realignment and closure (BRAC) now if those folks are in fact coming back? Have the overseas expenditures for military construction been reduced sufficiently so that we can bring some of that money back home, and get ready to have these people brought back to the continent?

Mr. ENGLAND. Tina, do you know dollars BRAC overseas?

Ms. JONAS. Sir, I don't have an exact figure on the overseas BRAC for you, but I will say that the reduction of the \$3.1 billion in the continuing resolution is a problem for the Department. We do not yet have a way forward on that. We're going to have to work with the Congress on that.

It will affect forces coming home from Europe. Fort Bliss, for example, is one of the bases that forces will be coming home. So this will be difficult, and I know Phil Grone, who does our Installations and Environment, is looking very carefully at the implications of the funding resolution.

Senator STEVENS. Well, that was going to be my next question about the BRAC \$3.1 billion. I don't think we have a guarantee, but we have sort of an understanding as the continuing resolution went through without amendment, that that money would be considered to be replaced in the supplemental. I hope that it is. We have some, even in Alaska, which is being delayed now because of the reshuffling of that money.

But again, as I understand it, this whole reshuffling is going to be over in at least 3 years. Is that right? Repositioning back to the continental United States (CONUS), I'm talking about.

Mr. ENGLAND. We are, but at the same time we're also forward deploying other forces, so you know we have other forces moving to Guam, we have troops moving out of Japan into Guam. We have submarines moving into Guam. So there's other forces moving. So I'll have to get back and look at the entire overseas BRAC for you, because there are forces coming out of Europe. There's also forces moving in other areas, which is expensive when we move other forces forward. So I will get back with you on those specific details.

For the \$3.1 billion, I appreciate your comment about adding that \$3.1 billion to the supplemental, because that is critical to us, that \$3.1 billion. I mean, there are plans in the Army, when they move personnel back, this is, the whole BRAC as you know is an interlaced process. I mean, programs largely do not stand alone. They actually are all interconnected.

And so when we disrupt the BRAC by taking out funding, that causes a lot of disarray for us. So it would be extraordinarily helpful if the subcommittee could help address that \$3.1 billion, because that will be a significant issue for us as we go forward if that \$3.1 billion is not replaced.

Senator STEVENS. As we went over and looked at Aviano and the Army base in Italy where you're moving those people from Germany down there, and also the new upgraded air base in Turkey, we sort of envisioned that new alignment along the northern shore of the Mediterranean. All of that is BRAC, right? That's taking a considerable amount of money for those moves, isn't it? Is that in this budget?

Mr. ENGLAND. Senator Stevens, as Tina let you know, I just have to get back with you on that, Senator Stevens. We'll get an appointment, get the whole BRAC, overseas and domestic, together for you related to the 2008 budget. I just don't know specifically, but we will get back with you on that.

Senator STEVENS. Well, the reason for my question, it looks like this is all taking place in the same timeframe, bringing people back here and moving people overseas to different places. That's a substantial increase in BRAC over a period of 4 years. I don't see it reflected here. I would appreciate it if you could give us a statement for the record.

Mr. ENGLAND. Yes, we'll definitely get back with you, Senator Stevens.

[The information follows:]

While BRAC and global defense posture realignment are mutually reinforcing efforts, overseas force posture changes in host nations like Germany, Italy, Japan, and Korea are not part of the BRAC process. The funds to implement these posture changes reside in our traditional Military Construction and Operations and Maintenance accounts and are part of the President's budget request for fiscal year 2008 (PB08). There is \$953 million of Military Construction, Army, budgeted or programmed in the period fiscal year 2006 through fiscal year 2013 to support global restationing, including \$73.6 million requested in fiscal year 2008.

Additionally, global posture has a BRAC 2005 component for construction of facilities in the United States to accommodate movement of forces from overseas. The fiscal year 2008 budget request identified \$2.9 billion across implementation (fiscal year 2006-fiscal year 2011) to support the BRAC component of global posture.

BUDGET

Senator STEVENS. Last, as I understand it, the authorization bill gave authority to the Department to train and equip counterterrorism forces in foreign military organizations. Can you tell us about that? What is the Department going to do with its authority to support counterterrorism capability of our allies?

Mr. ENGLAND. I believe this is a 1206 authority—Tina, do I have it right—which is, I believe, \$500 million in the budget for that purpose, so we do have \$500 million in the budget, what we call 1206 authority, being requested in the fiscal year 2008 budget specifically to train and equip forces friendly to the United States in counterinsurgency operations. So there's \$500 million, Senator Stevens, in the budget for that purpose.

Senator STEVENS. Does it identify the units that are going to be so equipped and trained? Admiral?

Admiral GIAMBASTIANI. If I could, Senator Stevens, this money, the drawdown authority on this money, the countries that we

would do this for are being recommended by each of our combatant commanders. For example, there are initiatives where Central Command would talk about Pakistan. There are specific commands. You have recommendations for countries like Thailand and others.

So what I would tell you is, each of these initiatives has a specific tie to counterterrorism. One of the initiatives was to put radars, for example, to assist the local countries in the Straits of Malacca. This would help us significantly to follow maritime traffic, help the countries there locally. These are the types of examples, but we've got significant ones across the world.

Senator STEVENS. Does that include giving them Predators and things like that?

Admiral GIAMBASTIANI. Generally, no, sir. Generally, that's done under a different authority.

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

Senator INOUE. Thank you.

Senator Dorgan.

Senator DORGAN. Mr. Chairman, thank you very much.

Mr. Secretary, thank you, and Ms. Jonas and Ambassador—excuse me—Admiral. Thank you for being here.

Mr. ENGLAND. He would make a good Ambassador, though, too.

B-52S

Senator DORGAN. Let me ask about the B-52s, which will not surprise you perhaps. We have 76 after the attrition reserve are all gone, and the Congress has instructed the Pentagon that that's the number that you must keep at this point. You, however, budget for only 56 in your budget.

The initial 30 days of combat in Iraq, I recall the Air Force used more than 80 B-52s so it could sustain a deployed force of 42 at forward operating bases. Obviously they couldn't repeat that if they go to 56 B-52s. What I hear from the Pentagon is that the F-22 and the B-2 will go in and kick down the door with air power, and that is the case, I believe that's the case with those planes.

And there's no better bomb truck around for the next couple of decades than the B-52, fully paid for, so I do not frankly understand the Pentagon's recommendation to go from 76 to 56 B-52s when the Congress has indicated it wishes and insists on 76.

I would also observe that a new bomber is scheduled to come on, at the very earliest, 2018. Most of us understand it's more likely to be 2020 or 2024, so you're talking about 15 years perhaps or more for a new bomber, and we're going to move B-52s that are fully paid for and capable for at least three decades in addition to their service, long service, we're going to move them to Davis-Monthan, to the boneyard? It doesn't make sense to me. Can you explain to me what the thinking of the Pentagon is?

Mr. ENGLAND. Senator, actually I can't give you the detail, but I can tell you I know the Air Force across the board has been trying to retire some of their older airplanes so they can afford to re-capitalize. So this is the issue that we have, frankly, in a number of areas, that is the cost of maintaining older airplanes which get to be very, very expensive. And so if we keep those long tails, then

we utilize the funds that we could otherwise put into the new bomber.

So, I mean, I believe this is a dilemma the Air Force is in. I'll have the Air Force address this directly with you. But frankly it's just the dilemma we have in terms of trying to maintain older equipment versus transition to new designs.

Senator DORGAN. And I've spoken to General Moseley about this subject, but my sense is that the Air Force, I guess at the direction of the Pentagon, is going to create a bomber gap. Quite clearly the Air Force, if they retire this number of B-52s beyond which the Congress said we're going to allow you to retire, the Air Force clearly could not do what they did with Operation Iraqi Freedom. They could not have 80 B-52s for forward deployment in order to be able to have 42 operational at forward locations.

So I'm very concerned about that. I would hope you'll take a hard look at it. We have enough trouble funding new weapons programs, and we shouldn't be moving those that are fully paid for over to Davis-Monthan and put them in storage at a time when we need them in the fleet. So I will follow up again with General Moseley. He'll be here at some point.

Mr. ENGLAND. I will, too. And I think, Admiral, do you have some information?

BOMBER

Admiral GIAMBASTIANI. Yes, if I could. Senator, one of the reasons why from a military side we took a look at this and, if you will, reviewed the situation of the bomber inventory—and by the way, I'm a bomber proponent myself—is that we are shifting to small diameter bombs in addition to all of the larger pieces of ordnance. In fact, in our budget for 2008 we have a sizeable number of small diameter bombs being picked up. These are the 250 pounders that frankly have got some smartness built into them.

The reason why that's significant is that you can carry many more pieces of ordnance, because of the size of these and the precision with which we can deliver them. So each platform that we have actually brings much more capability than we could before, so the numbers of platforms that we would need is reduced because of this increased capability that we bring on the weapons side. So there's a balancing act here between the number of platforms and the number of weapons that we would put on each one, but I'll get back to you.

Senator DORGAN. I appreciate that.

[The information follows:]

The reduction in B-52s was taken in order to divest legacy aircraft for the purposes of modernization and recapitalization. The U.S. Air Force can still meet and exceed combatant command B-52 requirements for any single major combat operation (MCO). The risk associated with two near-simultaneous MCOs is increased, but within acceptable levels for the near term. The Air Force comprehensive plan for modernization and recapitalization outlines the prudent investments necessary today to avoid future capability risks.

The Air Force also has a three-phase, long-range strike plan that modernizes the remaining legacy bomber fleet, fields a fleet-augmenting, long-range strike platform in the 2018 timeframe, and develops a transformational long-range strike platform in the 2035 timeframe. In addition, the Institute for Defense Analysis has been tasked by Congress to examine the amount and type of bomber force structure required to accomplish the National Security Strategy.

Senator DORGAN. Let me just say in last year's legislation you are not allowed to move the attrition reserves until you give us the study that we requested, and I don't think the study can be completed without showing that there is a bomber gap. I understand your point about platforms, but I also understand what the Air Force is talking about with respect to global initiatives and what they feel they need to do. And I'm just saying I've talked to a lot of experts. This doesn't add up when you get to 56.

So I'd like to ask one additional question and then ask about two personnel issues very quickly. The \$141.7 billion in fiscal year 2008, is that designated as emergency?

Mr. ENGLAND. I guess I'm not quite sure, but I guess it is designated because it's not in the base budget. So the request was, as I understand, Senator, Congress asked that we provide forward-looking cost of war and to have that available when the budget was submitted. So we basically took an extension, because looking ahead a year is hard to do, so we took our fiscal year 2007 and projected it forward.

Frankly, it could go up or down. Not knowing, we pretty much have taken the fiscal year 2007, projected it in fiscal year 2008. So that's what the \$141.7 billion is. But recognize, as we get closer and as conditions on the ground change, the number could go up or down because we're basically looking a year ahead when we put these numbers together.

Senator DORGAN. The reason I asked the question, it seems to me emergency designations are things that one didn't anticipate, but if we can anticipate next year what that cost will be, I wonder if we shouldn't be paying for this? If we sent the soldiers to fight, I wonder if we shouldn't as a country pay for it, rather than designate it as an emergency? I just make that point.

MEDAL OF HONOR

Mr. Secretary, let me mention two other quick items.

One, there is a request that has been pending for nearly 1 year, previously approved by the Secretary of the Army, and I raise this because I watched on television last evening or I guess two evenings ago the presenting of a Medal of Honor. There is an American Indian named Woodrow Wilson Keeble, a remarkable, remarkable soldier, fought in the Second World War and in the Korean War, and the description of a battle in the Korean War was an unbelievable description.

I have never known him, but at any rate, it had been submitted well after the Korean War that he receive the Medal of Honor. All of that information has been digested, went up to the Secretary of the Army. He actually recommended a Medal of Honor based on the facts of the battle in the Korean War. It has now been sitting at the Secretary's level for almost 1 year. Would you be willing to look into that at this point? It does require the Secretary's approval, but it has been approved by the Secretary of the Army.

Mr. ENGLAND. Senator, I will. Actually, it has come to my attention a couple of requests like that are in OSD, so I've actually started to make inquiries as to why they haven't made their way to the Secretary, because ultimately it goes to the Secretary of Defense and then with his recommendation goes to the President of

the United States for a final decision. I will definitely look into it. It's of interest to me also, and I'll follow up for you, sir.

Senator DORGAN. I appreciate that.

[The information follows:]

Members of Congress introduced legislation during the week of March 26, 2007 to waive the period of time limitations for submission of the Medal of Honor (MOH) award recommendation for the late Master Sergeant Woodrow Wilson Keeble. This legislation enables the President to consider, and, if warranted, award the MOH to Master Sergeant Keeble.

Senator DORGAN. I want to make just two other comments, Mr. Chairman. I know others want to make a comment.

Mr. Secretary, you know you and I have had breakfast together. I have great admiration for your service, thought you did a great job as Secretary of the Navy and I'm glad that you are where you are. But I do want to just mention two issues.

CONTRACT ISSUES

One, I'm going to ask for the inspector general to take a look at it, and that is a personnel issue. National Defense University gave a contract, which was cancelled I think 1 month later, for Mr. Feith, a \$500,000 contract over 4 years for Mr. Feith from the National Defense University. And as I looked at this contract, the identical words were used in the contract solicitation as were used by Secretary Rumsfeld in the going away ceremony for Mr. Feith.

It seems to me that there almost had to be collaboration in the preparation of the solicitation for the job and the remarks that were used at the going away ceremony, and I'm going to ask the inspector general just to look at that. The contract was cancelled several days after the press asked about it, but as I have dug through this, there's something wrong here, and I just wanted to tell you. You're not in a situation where you would know about it or be responsible for it, but I did want to mention that, that I'm going to ask for the inspector general to look at it.

One final point. I did call you about Bunnatine Greenhouse. I did that because I'm very concerned about the contracting abuse that has occurred in some areas. She was the highest ranking civilian official in the Corps of Engineers.

She said the contracting abuse, I believe it was on the RIO or the LOGCAP, I believe the LOGCAP contracts, the contracting abuse was the most blatant abuse she has seen in her career. For that, she was demoted. There have now, of course, legal activities been going on for some while, and she doesn't have any duties, yet she is still there, having been demoted for telling the truth. I believe she told the truth because I have dug into that at great, great length.

Others in this town who worked when she was the highest ranking contracting official, others who worked outside, have told me she was one of the finest contracting officials we ever had, but she told the truth about some problems with contracting and as a result, over at the Corps of Engineers the old boys network decided that she was going to pay a price for it, and she has paid a very heavy price in her career.

And I've called you about that. I do hope that there is a message sent here someplace, that we need the truth, all of us do: the Amer-

ican public, the Congress, and certainly you in your responsibility in the Department of Defense.

But having said those things, let me again tell you I appreciate you, Secretary England, have always appreciated your work, and this subcommittee very much needs your advice and your thoughts about especially the budget issues, because it's so important. We spend so much money in support of our military, and need to do that.

Mr. ENGLAND. Senator Dorgan, thank you. Thanks for your comments.

I will look back into that case. You know, I know we did do a lot of work, and I don't have all the details of that particular case. I will go back and see where that is today, because there was a lot of work done, and it did go into legal and that sort of prevented everybody from going further with it.

But I'll tell you, you know, I mean, I always share everybody's concern whenever I hear anything about something that's either abusive or unethical, much less illegal. So I am where you are, to make sure we absolutely understand all these cases, and I do personally follow up on every single case of indiscretion that's brought to my attention. And I will look into this and see where it is, and I'll talk back with you again, sir, because obviously we do want to make sure that we carry out the responsibility of the Department appropriately.

Senator DORGAN. Secretary, thank you very much.

Mr. ENGLAND. Thank you. I appreciate your comments, sir.

Senator INOUE. Senator Domenici.

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

Let me start by thanking all of you, all three of you, for being here today. Regarding your budget request of \$43 billion to recruit, train, and equip National Guard and Reserve forces, as you know, a Government Accountability Office (GAO) report released in January studies the National Guard domestic equipment requirements and readiness and indicates that as of November 2006, non-deployed Army National Guard forces in New Mexico ranked last in the Nation regarding equipment readiness, with less than 40 percent of the total amount of dual-use equipment that they are authorized to have for warfighting missions.

EQUIPMENT SHORTFALLS

My first question is, how will the Department's \$43 billion funding request in this budget be used to address the serious equipment shortfalls needed in New Mexico and many other States? And, second, what other action is the Department taking to ensure that the National Guard is equipped to do their job at home and abroad? The second one is general; the first one is New Mexico, Mr. Secretary.

Mr. ENGLAND. Okay. I think between the three of us we can answer that question for you, Senator.

RECONSTITUTE THE FORCE

Fiscal year 2005 was the first year that we started putting substantial money in the budget, at that time in the supplemental, to reconstitute the force. Up until then we didn't have—I mean, it

was sort of understood that we wouldn't have those kind of funds in the supplemental account, but in 2005 we started putting those funds in.

We have now put in a lot of money—I'm not sure of the totals, perhaps Tina can help me here, of the total amount of money that has gone into this reconstitution and replacement, repair of equipment, so we now have the depots pretty much full and the equipment is flowing, and a lot of that equipment will be used to reconstitute the force, including the National Guard. And in addition, in the base budget from 2005 to 2013, I believe we have a total of \$36 billion for Guard modernization and equipment.

So there's a lag in the system, and the lag has frankly hurt us in terms of just being able to backfill, because once the money is made available it could be anywhere from 1 year to about 3 years before the equipment comes out of the pipeline, but we are working that for all the Guard. In the meantime, we do make sure that all the Guards activated have equipment that they, if they do not have the equipment at their home station, they fall in on that equipment while we try to backfill it here at home.

So there are some lags in the system, but I believe that in my judgment the money that we have requested and the money that the Congress is appropriating is being very helpful to make sure that we backfill this equipment we have been using for the war purposes. So in general I will tell you, I think we're on the right path here. Money is in the depots. New equipment is being procured. Money is being allocated for the National Guard over the fit-up, and it will slowly start refilling the bins as we go forward.

Do you have anything, Admiral?

Admiral GIAMBASTIANI. Yes. If I could, Senator Domenici, I would just add simply that if I looked at the base budget that we've submitted for President's budget 2008 and the fiscal year 2007 supplemental, and then the global war on terrorism supplemental for 2008, there's about \$8 billion of this \$36 billion in those submissions.

EQUIPMENT

Second, in order to not exacerbate the problem with the National Guard, about 90 percent of the equipment that is stay-behind, that we use overseas, primarily in Iraq and Afghanistan, is actually active component equipment, so when we send brigade combat teams and others over to use this, they are falling in on equipments out of the active component, so only about 10 percent is actually out of the Reserve component.

I guess the final comment that I would give to you with regard to these National Guard units is that yesterday I had the opportunity to go over and meet with all of the Adjutant Generals at the National Guard Bureau, with Lieutenant General Blum, and talk to them about their concerns on a wide variety of issues. Frankly, because of, I think, the amount of resources we're putting against this, and the amount of resources in the recruiting on the manpower side and the rest, this did not appear to be a big concern, if you will, that they expressed to me yesterday.

Now, I'm not saying that they are not worried about the equipping piece. What I'm telling you is, I think they see the money the

Deputy talked about in the pipeline and they know we're putting a focus and resources against it. So with your help here, this is going to be a significant change, I think, for the National Guard.

Senator DOMENICI. Well, Mr. Chairman, let me just say that that's good to know. I think, if you don't mind, it would be good for me to be able to tell New Mexicans with a little more specificity that of the \$43 billion you're saying will be used for the National Guard, some of it for equipment, that they won't be at the bottom of the list forever. We won't have guardsmen without equipment, for all intents and purposes, expected to go overseas, if deployed, and fight a war.

Many New Mexico National Guardsmen have served already as part of the global war on terror, and many have redeployed and are going to be redeployed in the coming months. Are you assuring the Guards that they are going to have equipment and that they are going to be rested and ready in terms of what we expect for the average military units that are going now and are in this situation?

Admiral GIAMBASTIANI. I guess what I would say, Senator, is that you can be assured that you have our commitment here, both on the civilian and military side of the Department. The Deputy and I sit with these folks every day, and we bring in General Blum and his staff, and he participates in our resourcing discussion, so I think you have a good solid commitment here.

Mr. ENGLAND. Senator, we'll follow up with you specifically, too, in terms of those allocations of funds, so we'll get back with you on that and give you some specific detail.

[The information follows:]

The New Mexico Army National Guard's current unfunded equipment requirement totals \$244 million. If the appropriate level of funding was made available to the Department of Defense, equipment procurement would be executed by the Army. The National Guard Bureau allocates equipment to states' units based on their wartime mission requirements with consideration given also to the states' emergency response requirements. Given this practical consideration, it is not possible at this time to determine exactly how much of this \$43 billion in funding will be used for New Mexico equipment requirements.

Senator DOMENICI. I assume I'm out of time. I will come back. I'll just let you go by, and I have two more similar questions.

You want me to proceed?

Senator INOUE. Senator Cochran.

Senator COCHRAN. I will be happy to yield to the Senator.

Senator DOMENICI. Thank you very much, Mr. Chairman, Mr. Former Chairman.

AIR FORCE SPECIAL OPERATIONS COMMAND

Okay. Well, I have two more areas of questions. One has to do with Cannon Air Force Base. As you know, last year the Secretary of Defense assigned the use of Cannon Air Force Base to the Air Force Special Operations Command, AFSOC, to establish a western base.

Now, I'm sure you know this, but I want to bring it up here today because I want to make sure that you are aware that in the BRAC findings Cannon was the only base that when they were finished, it was so hard to decide on that they put it in a special category and said, "It will sit there so you can try to find a use for it." And the Air Force went to find a use right away and said, "We

think we need this for AFSOC,” so it’s going to be one of those bases. This was a very exciting thing for us to have the Air Force to have a new use for a very great base. It’s going to be turned into a multipurpose base instead of one that has F-16s.

It’s my understanding that there is \$70 million in the fiscal year 2008 unfunded requirement list for Cannon Air Force Base. It’s also my understanding that much of the construction is needed for AFSOC to implement its plan for Cannon. My question is, what are the Department’s plans to meet these unfunded requirements so that AFSOC can begin operating its new western base in October 2007?

Mr. ENGLAND. Well, Senator, I can address that for you. The Air Force Special Operations Command will take ownership. The base will be operational in October this year, so that will happen. The \$70 million will not affect that. We will make that date.

I also want you to know that our Special Operations Command, the U.S. Special Operations Command, has programmed well over \$200 million, about \$230 million across the FYDP for Milcon, and the Air Force has programmed another \$400 million for both operation and maintenance (O&M) and Milcon, also across the FYDP. So there is well over \$600 million for Cannon in terms of facilitating it and operation and maintenance at the base.

The \$70 million was sort of a surprising number, to find out that it was unprogrammed, and I need to look into that although I understand some of it is to accelerate some of the money early. So we’ll look into it, but I believe frankly that we have everything programmed appropriately, and we’ll make sure we don’t have a shortcoming that would jeopardize occupying the base and operating the base.

Senator DOMENICI. Thank you very much. It’s very important, as you know. We no longer have that big base sitting there. And then we come up to the time of transition and to not have the money to make it what it’s supposed to be concerns me.

Mr. ENGLAND. Yes, sir.

Senator DOMENICI. I have another one I’ll submit in writing, Senator, so we can proceed. I thank you so much for your generosity.

Senator INOUE. Senator Cochran.

Senator COCHRAN. Mr. Chairman, I have a statement that I would like to be included in the record. I’ll start with my questions.

[The statement follows:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join the members of the committee in welcoming our witnesses this morning.

This has been a challenging year for our Armed Forces and they have made us proud by the way they have stepped up to that challenge. The Global War on Terrorism requires constant vigilance and a winning strategy. Our Armed Services require the continued support of this Congress and the American people to help ensure the safety and security of our country.

This challenge makes us aware of the importance of the 2008 funding proposal for the Department of Defense. We must ensure our men and women in uniform have the equipment and training necessary to succeed and to return home safely.

Senator COCHRAN. Thank you very much for the outstanding leadership you are all providing for our armed forces in dealing with the challenges that we face in the global war on terror. When the President came before the Congress and made his State of the

Union address, he mentioned a request for Congress to increase the end strength of the Army and the Marine Corps. Matter of fact, he specifically asked that in 5 years there be an additional 92,000 Army and Marine Corps personnel added.

This is, of course, going to inevitably increase the need for amphibious ships and other equipment, materiel, to support these troops. In looking at the budget request, there is one LPD-17 amphibious ship suggested in the 2008 budget proposal, but you look at the Navy unfunded program list and you see an additional LPD as being unfunded. As a matter of fact, it's the top item on the list.

Can you tell us what the plans are of the Department of Defense to support the increase in marines and the end strength as it relates to ship capacity and the future needs that we have?

Mr. ENGLAND. Senator Cochran, I can. I know that Navy increased their budget substantially this year for shipbuilding, I believe like \$3 billion increase in the 2008 budget, so that has gone up appreciably. My understanding is they also, frankly, have some limitations, just numbers of workers available and working hours on ships these days. So I'm not sure they can accelerate, but I know that they are working to get the 313 ship Navy by 2020 and they have significantly increased funding.

Above and beyond that, frankly I have not talked to the Navy about their plans. I mean, that's the latest I know, is what's in the budget, which is quite a significant increase. I think it went from \$11.-some billion to \$14.-some billion in shipbuilding. Frankly, as an old ex-Secretary of the Navy, I was pleased to see them reach that \$14 billion because that had been the objective for some time, to get to that sustained level of funding.

So if there's anything beyond that, however, I'm not familiar with it, Senator Cochran, but I'll be happy to address it with the Navy.

SHIPBUILDING

Senator COCHRAN. Admiral, you've got a Navy background and understand these needs. As Vice Chairman, what is your assessment of the ability of the Department to sustain the requirements that we have for the Navy and Marine Corps as far as shipbuilding is concerned in this budget request?

Admiral GIAMBASTIANI. Well, I, too, like Secretary England, am very pleased that we have achieved \$14.4 billion worth of shipbuilding. I will tell you, as a former director of resources on the Navy staff almost 7 years ago, I set a target at that time for a budget between \$12 and \$14 billion a year, and this was 7 years ago, to sustain the shipbuilding level to allow us to get to approximately this number of 313. We hadn't decided that number quite yet, but we knew the approximate band. And I will tell you that only with sustained funding levels like this will you be able to achieve and get back to that 313 from the 280 or so that we are right now.

Senator COCHRAN. Are you saying that remains a goal?

Admiral GIAMBASTIANI. Sir, I think the Navy's 30-year shipbuilding plan that Secretary England mentioned specifically states 313 ships, and their goal is to get that by 2020, and it will take that level of funding to get there.

Senator COCHRAN. Okay. Thank you. Now we're pleased, Secretary England, to notice in your statement your comments about missile defense systems and our continued effort to improve those and deploy them. Could you elaborate on how the budget for fiscal year 2008 will be used to enhance our missile defense capabilities around the world?

Mr. ENGLAND. Senator Cochran, as I recall we have about \$9.9 billion in missile defense this year, and it goes across the wide array of missile defense applications. As you know, we now have operational sites in our missile defense, so this is to expand the number of missiles. It also expands the capability into Europe, as we start those discussions for European deployments. But this is to increase the number of missiles both at fixed sites and also on our naval sites. It also continues a significant amount of research and development in our missile defense activities.

And I would add, by the way, in my judgment this has been one of the most successful programs in terms of what has been achieved in missile defense. I know some years ago there was great controversy about the program, but it has made great strides. We now have capability in place, and in my judgment very important capability, with the world the way it is today in terms of what other nations are doing in both their missile systems and nuclear capability. So this is a very important capability for the Nation, and it has progressed significantly, and this budget allows us to continue the deployment of those missiles.

Senator COCHRAN. Admiral Giambastiani, I know that you are aware the Navy has been talking about options for deployment of missile defense capabilities at sea, being able to have a mobile force. What is your assessment of the progress being made in that regard with respect to missile defense?

SEA AND LAND BASED

Admiral GIAMBASTIANI. Overall, if I could just address not only the sea-based side but the sea- and land-based side, just to give you an example, over the next year we're going to triple, over triple the number of interceptor missiles, between ground-based and sea-launched, that we have available over the next 12 months. That is, in funding, this just under \$10 billion that the Secretary mentioned.

So I think that's a very good news story. There are not going to be large numbers of these, but we will over triple the number that are available, and that includes the sea-launched side of this equation. We do have some sea-launched missiles available, very small numbers. I won't get into the specifics because of the classification, but I will tell you that those numbers are going up, and clearly we have to have not only a ground-based component of this missile defense, but we also need the sea-based and the air-based side of this.

Senator COCHRAN. Secretary England, last month Secretary Gates announced a change in Reserve component policy that changes the way Reserve component forces are managed to support requirements for the global war on terror. The Secretary said a policy objective was for a mobilization ratio of 1 to 5 for National Guard and Reserve units. Does this funding request before our sub-

committee adequately address the challenges of manning the force to achieve this goal?

Mr. ENGLAND. Yes, sir, it does, particularly between the base budget and the supplemental that we have turned in, it does support that. It also supports the equipment for that. So between the equipment, manpower, you know, periods of activation, that is what we have funded in this budget, so it does support that. And that was going from 18 months to 12 months for reservists, so 12 months served time, and having an adequate dwell time, which I believe was the one-in-five for the Reserves. So that is the basis of our budget proposal, Senator.

Senator COCHRAN. I have a couple of other questions which I will just submit for the record. One has to do with the continued problem of corrosion of equipment, maintenance costs that are attributable to that problem. We have some suggestions for research that's being done that's very encouraging, about some of the new countermeasures that are available and coming on line. We hope you'll take a look at that and make sure that we're taking advantage of new discoveries to cut down on the maintenance costs of our military forces.

Mr. ENGLAND. Sure.

Senator COCHRAN. Thank you, Mr. Chairman.

Senator INOUE. Thank you, Senator Cochran.

Senator Stevens.

Senator STEVENS. Mr. Secretary, over the last recess I took the time to go visit the Predator factory and saw the new Warrior and some other things out there. I would urge you to take a look at some of the research that they've done now to try to adapt these unmanned aerial vehicle (UAV) systems to urban warfare, and particularly to the monitoring of activity in the urban landscape. Part of it is classified.

But I was concerned over the rate of production there. With the Army asking for the Warrior and the marines asking for some of the similar systems, it does seem that that's the most cost-effective system, what they're talking about now, in terms of urban warfare. I would urge you to take a look at it. I don't know if you have, but it's a great change and has great promise, in my opinion.

Mr. ENGLAND. I'm familiar with it. The Admiral and I work together on this, and with the improvised explosive devices (IED) task force. And you're right, I'd rather not talk about all the details, but you can elaborate some, Admiral.

Admiral GIAMBASTIANI. Senator Stevens, I completely agree with you, there are some exciting things on the home front here with regard to these unmanned aerial vehicles. I have been to the plant. I have visited the factory myself. I have looked at it in detail.

And in this budget request and also in the supplementals that we have submitted here with the President's budget, there are substantial requirements in there and funding, resourcing, obviously subject to Congress' approval, for Predators and Warriors. We have just deployed our first couple of Warriors. I agree with you, without going into a lot of detail, that we can put some changed detection improvements into these, and, in fact, are planning on doing that through the joint improvised explosive device defeat task force that Secretary England was talking about. So there are some real sub-

stantial changes here, but we are about doubling the number of requests for Predators that we had before in this submission.

Senator STEVENS. That's good to hear. I think that the concept of force protection that's involved in these new experiments is just staggering, and it is really an interesting combination of technology now. You're right, we shouldn't talk too much about it, but I do think that those systems have a lot to do with the safety of our forces and what's going on in Iraq right now.

Thank you, Mr. Chairman.

Mr. ENGLAND. Senator Stevens, there's an aspect of that, we would like to have a private discussion with you because there's one aspect of that that's extraordinarily interesting and, you know, in a private conversation we'd like to be able to discuss a little bit further with you.

Senator STEVENS. Yes, sir. Happy to do that.

Senator INOUE. Senator Dorgan.

Senator DORGAN. Mr. Chairman, thank you. Let me follow up on the unmanned aerial vehicle issue. My understanding is that there is a UAV program in the—well, I know there's one in the Air Force. I understand that the Army has a separate program, the Navy has a separate program, which seems to me to suggest almost everything that's wrong with the way we do business in the Pentagon.

Why would we have three separate UAV programs? Why not have a UAV program in the Air Force and have, to the extent that there needs to be UAVs, Predators or whatever the UAV might be, have the Army and the Navy involved in it? Are there three separate areas of research? I assume the Army is doing certain UAV research, Air Force, Navy. I don't have the foggiest idea why that would be the case.

Mr. ENGLAND. Senator, there's more than three UAV programs. I'm not sure of the total number. There's quite a few different—

Senator DORGAN. I meant the three services, though, engaged in their own programs.

Mr. ENGLAND. Yes. Just a comment, and then I will let the Admiral.

First of all, we have a lot of different requirements, and, of course, the Navy typically has a totally different, just like their airplanes are different because they're carrier-based and stronger wings and corrosion, and all the things they face different from the Air Force. A lot of these also it depends on if they are tactical or if they are strategic, so there are different sizes and different ranges and different types of sensors.

UNMANNED AERIAL VEHICLES

But we do have collaborative research, so we do have one organization, DDR&E, that brings together all the research for all of the programs. So they will typically diverge at a program level, but they do use a lot of common technology and we do fund a lot of common, you know, fundamental technology programs that go into those UAVs. So it's not disjointed. I mean, it may look like they're disjointed because we have different products, but they actually serve different purposes and in different environments, typically.

Senator DORGAN. Are you saying there is not duplication? Because some suggest there is substantial duplication between the services on UAVs.

Mr. ENGLAND. Well, I won't say there's no duplication. I will say that every program is examined before it's authorized, to make sure that it is filling a specific void and is not just duplicating what another program is doing. So we do actually look at every one of these to make sure that there is a unique mission or a need, you know, that could not be filled by something that we already have. So what you don't see are all the programs that don't go forward because we feel like we can do it with a lesser number of programs.

Admiral, if you want to comment—

Admiral GIAMBASTIANI. Senator Dorgan, it's a great question. There are a lot of folks out there building UAVs, but let me tell you that we share your interest in having joint programs.

And on the Joint Requirements Oversight Council (JROC), of which I'm the chairman, we have established, about the time I arrived, a joint UAV office. It's actually commanded by an Army General, Brigadier General. The deputy is an Air Force officer. We have all three services in it. It has been operating now for about 18 months. As a matter of fact, within the last 2 weeks I had this Brigadier General in my JROC session, to come in and give us a report on how they were moving along.

They are writing concepts of operations for all of these UAVs. Now, let me just quickly explain to you why you might think that everybody has their own UAVs. Some unmanned aerial vehicles operate at what I call the strategic intelligence, surveillance, and reconnaissance level. Then there's also an operational level, and then there's also tactical UAVs which generally are shorter duration. They fly at lower altitudes and are smaller aircraft, and they work directly assigned to a platoon, a company, a battalion of ground forces, for example, whereas generally the Predators are at a higher altitude. They have much longer durations. Global Hawk, same thing. And they operate with different intelligence, surveillance, and reconnaissance requirements.

And what I would offer to you, without trying to go into a longer explanation, is I would be happy to come over and talk to you about how we're trying to move forward in a joint way here with the UAV program so that we don't waste the taxpayer dollar.

Senator DORGAN. Mr. Chairman, just for the record, going back to one other point, let me submit for the record on the Bunnatine Greenhouse matter, Mr. Secretary, for your perusal, a letter from the inspector general at the Defense Department which was November 2005.

He says that he examined the allegations made by Ms. Greenhouse, principal assistant responsible for contracting for the Army Corps of Engineers, has shared his findings with the Department of Justice. The Department of Justice is in the process of considering whether to pursue the matter. As it is an ongoing criminal investigation, the requested information will be provided when the investigation is concluded.

So, quite clearly, the inspector general felt there was something to the allegations, and for those allegations Ms. Greenhouse has been demoted, as you know. Again, I'm not laying this on your

shoulders because you were not in charge at that point, but I want this for the record.

Mr. ENGLAND. No, but I will definitely follow up, Senator. It is of interest to me, and I'll definitely follow up and I'll close the loop with you on that, sir.

Senator DORGAN. Thank you very much.
[The information follows:]

Ms. Greenhouse was removed from the Senior Executive Service because of "less than fully successful" performance evaluations. Her removal was required by Title 5, Code of Federal Regulations, Section 359.501, because she had received two final performance ratings of "less than fully successful" within three consecutive years. The first of those evaluations was given to Ms. Greenhouse before she made any allegations about what she felt were procurement irregularities. Because of the change in leadership of the U.S. Army Corps of Engineers, these ratings were given by two different rating officials, each of whom arrived independently at the conclusion that her performance was not fully successful. Both evaluations were reviewed by the ASA (ALT), who has functional responsibility for all Army acquisition activities, and the ASA (MR&A), who has responsibility for management of the SES.

In order to ensure that Ms. Greenhouse's removal was based entirely on her performance, the Army Corps of Engineers sent a memorandum through the Department of the Army Inspector General to the Secretary of the Army requesting authorization to proceed with her removal from the SES. The removal action had been suspended by the Acting Secretary of the Army in response to her contention that her removal was based on allegations she had made of improper contracting practices. The DA IG contacted the DOD IG and was advised by the Director of Investigations of Senior Officials in the Office of the DOD Inspector General on June 13, 2005, that, "The criminal investigation into procurement matters of interest to Ms. Greenhouse is continuing. However, there is no basis to delay actions concerning Ms. Greenhouse pending the outcome of that investigation." The Director further found no basis to delay the proposed removal because of a possible reprisal allegation. The Department of the Army Inspector General also reviewed the two "less than fully successful" evaluations for regulatory compliance, and found that the regulations were satisfied. On July 14, 2005, the Army determined that the record showed Ms. Greenhouse's proposed removal was grounded in her poor performance and not because of any allegations she made of contracting irregularities or her decision to testify before members of Congress.

Regarding the criminal investigation by the Department of Justice into possible contracting irregularities, we have not received any updates on the case from the DOJ. The Department of Defense has no information to provide regarding the investigation, including whether or not it has been completed.

If the committee would like more detailed information on the matters regarding Ms. Greenhouse, her EEO complaint, or the outcome of the administrative process that investigated her allegations of discrimination, we would be happy to provide it if the Committee so requests.

Senator DORGAN. And, Admiral, I will take advantage of your suggestion that at some point maybe we can meet to talk about the UAV issue.

Mr. Chairman, thank you very much.

Senator INOUE. I thank you very much.

Mr. Secretary, I will be submitting my questions and seeking advice, but I have one question I would like to ask. In yesterday's edition of the Army Times, an article appeared headlined "Walter Reed Patients Told To Keep Quiet." Have you read that article?

Mr. ENGLAND. I saw it this morning, coming to work this morning, sir, and I haven't looked into it, but I did read the article this morning on the way to work.

Senator INOUE. Will you look at it—

Mr. ENGLAND. I will.

Senator INOUE [continuing]. And provide us with some explanation of what's happening?

Mr. ENGLAND. Absolutely.

[The information follows:]

The Army does not tolerate retribution or intimidation against Soldiers who report problems with conditions or medical care at any medical treatment facility. In fact, Walter Reed's Commanding General recently addressed Soldiers in the outpatient population and assured them that he would not tolerate retribution or retaliation for reports to the media. MG Schoemaker reaffirmed the rights of Soldiers to speak with the media and provided them with a written pledge that "no Soldier will be penalized for coming forward with any of these issues and participating in any investigation, media story or the like. We are grateful for their candor and for helping us identify where we need to improve."

On July 1, 2006, the Walter Reed Medical Center Brigade Commander published a policy on Soldiers communicating with the media. This policy states that Soldiers assigned to Walter Reed are free to grant interviews to members of the news media. However, if Soldiers are acting in their official capacity, the WRAMC Public Affairs Office must approve visits by the media.

The allegations that Soldiers' first amendment rights were violated are still under an Army Regulation 15-6 investigation.

Admiral GIAMBASTIANI. I think it's important, though, Chairman, that we say that that's not our standard, to tell people to keep quiet. If they've got problems, we want to hear about them.

Mr. ENGLAND. Absolutely.

Senator INOUE. Because this was rather specific.

ADDITIONAL COMMITTEE QUESTIONS

Mr. Secretary, Ms. Jonas, and Admiral Giambastiani, the subcommittee thanks you for your testimony this morning and for your distinguished service to our Nation.

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

QUESTIONS SUBMITTED TO GORDON ENGLAND

QUESTIONS SUBMITTED BY SENATOR BYRON L. DORGAN

UNMANNED AERIAL VEHICLE PROGRAMS

Question. It is my understanding that the Air Force, Army and Navy all have their own medium/high altitude UAV programs.

Don't the capabilities of the Army's Warrior UAV program essentially duplicate the existing or planned capabilities of the Air Force's Predator, Reaper and Global Hawk programs?

Answer. No, the Army's Warrior Unmanned Aircraft System does not duplicate existing or planned capabilities of Predator, Reaper, or Global Hawk. While the Warrior is physically similar to the Predator, the improved design provides substantially greater endurance, greater payload capability, and improved reliability combined with reduced operating cost. The Concept of Operations (CONOPS) for each system supports specific and unique Service requirements. The Air Force's CONOPS for Predator relies on reach back and operates at the theater level. The Joint Requirements Oversight Council validated the Army's Extended Range Multi Purpose (ER/MP) unmanned aircraft requirement. The Warrior capability is designed to operate in the tactical battle space in conjunction with the combat aviation brigade as a maneuver element conducting reconnaissance, surveillance, and target acquisition through closely integrated manned-unmanned aviation and ground teaming. The Warrior does not compete with the Reaper or the Global Hawk; as those system capabilities are very different and their CONOPS are focused at the theater and strategic level, respectively.

Question. Would it make sense to relieve the Division and Corps commanders of the responsibility for security, transportation, logistics and maintenance of high/medium altitude UAVs and to have the Air Force provide ISR support to Army forces under a joint CONOPS and with habitually aligned AF personnel and assets?

Answer. Land warfare operational commanders, division and lower echelons, willingly provide the incidental support efforts to preserve the combat power of unmanned Reconnaissance, Surveillance, and Target Acquisition (RSTA). They conduct

combat operations every day, 24/7, using this vital and proven capability. We cannot decrease the combat power or take away the force protection it affords out of the hands of the Soldiers and Marines. Land warfare combat operations are experiencing the benefits of Manned-Unmanned teaming (MUM) of manned aviation and unmanned air systems toward the full potential with initiatives such as Task Force ODIN. Correspondence and direct reports from the commanders in the tactical combat zone conducting lethal operations universally state moving to a centralized and remote employment of UAVs decreases their flexibility and combat effectiveness. Integration of multiple combat systems at the lowest possible echelon used in a synchronized and trained battle command means of employment reduces fratricide, increases lethality, responsiveness, and reduces collateral damage. Direct experience in the Army's 25th Infantry Division shows the immediate improvement in combat capability when tightly integrated RSTA is used with our air and ground weapon systems to prosecute the Counter Improvised Explosive Device (CIED) fight.

Question. Isn't the Air Force best suited to serve as the Executive Agent for development, acquisition, operations and policy for all medium and high altitude Unmanned Aerial Systems?

Answer. The Air Force Chief of Staff recently proposed that the Air Force be designated as the Executive Agent (EA) for all UAS operating above 3,500 feet. Each Military Service (Army, Navy, Air Force, and Marines) has UAS that operate in that airspace. The Joint Staff is leading the Department's review of the Air Force proposal and will be using a methodology similar to that used in 2005. The Department last addressed the question of an EA for Unmanned Aircraft Systems (UAS) in 2005. At that time, the Joint Staff formed a tiger team to determine if an EA for UAS was required. In lieu of an EA, the Department established a Joint UAS Center of Excellence at Creech Air Force Base, Nevada, to address doctrine and operational issues of unmanned aircraft. The Department also reorganized an existing organization, now called the Joint UAS Materiel Review Board, to address UAS materiel solutions. The Joint UAS Center of Excellence and the Joint UAS Materiel Review Board are performing the functions one would expect of an EA.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

Question. The fiscal year 2007 budget contains \$7 million for the Department of Defense Corrosion Prevention and Control Program and the fiscal year 2008 request is just under \$5 million. Since the return on investment is so great and the annual costs of corrosion so high, why does the Department of Defense continue to reduce the funding request for corrosion prevention and control?

Answer. The fiscal year 2007 Operations and Maintenance (O&M) appropriation was \$7.7 million and Research, Development, Test and Evaluation (RDT&E) Budget Activity (BA) 4 was \$7.1 million. The fiscal year 2008 President's budget request contains \$8 million in O&M and \$5 million RDT&E for a total of \$13 million for this program, which represents a slight increase from the fiscal year 2007 budget request of \$12.6 million. The Department recognizes the importance of funding to prevent and mitigate corrosion in both weapon systems and infrastructure.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

Question. As you know, Holloman Air Force Base is planned to be the sight of the next F-22A beddown. Does the Department plan to locate the 20 F-22s requested in fiscal year 2008 at Holloman, and what do you need from Congress to make this transition a reality in fiscal year 2009?

Answer. The F-22A program beddown is progressing as planned. The first F-22As to be beddown at Holloman AFB, NM arrive the second quarter of fiscal year 2009, with aircraft delivery completed in fiscal year 2011. Temporary operations and maintenance workarounds exist for all operations in advance of facilities construction completion.

FUTURE COMBAT SYSTEMS

Question. On a similar topic, the Army is testing much of its Future Combat Systems technology at White Sands Missile Range. Your fiscal year 2008 request includes \$3.7 billion for research, development, test and evaluation of FCS technologies. What does the Department need from White Sands Missile Range to accommodate these efforts?

Answer. To facilitate the test and evaluation of Future Combat Systems (FCS) technologies during the fiscal year 2007-fiscal year 2008 timeframe, Program Man-

ger (PM) FCS requires the development of a Test Operations Complex (TOC) near the Oragrande Base Camp site. Currently, a complex of 6 buildings requiring varying amounts of upgrade has been identified for potential use to support FCS Spin Out 1 test and evaluation. PM FCS and White Sands Missile Range (WSMR) will jointly fund these upgrades. However, it is envisioned that a significantly larger TOC will be required to support System of Systems test and evaluation during both Integration Phases 2 and 3. Additional infrastructure includes the possible extension of the Fort Bliss Fixed Tactical Internet (FTI) to WSMR to support test and training and to Holloman Air Force Base to support JEFX 08. Finally, current plans require Army Evaluation Task Force (AETF) soldiers to commute from Fort Bliss to WSMR to support the execution of test events. As the FCS test program proceeds into subsequent Integration Phases, the size and scope increase to battalion size force-on-force events. Due to the large number AEFT soldiers required to support such events, the commuting concept of operations is not practical. Therefore, a review of the adequacy of soldier billets at WSMR to provide housing for soldiers during these extended events should be conducted. Pending the outcome of that review, a potential increase in the number of soldier billets at WSMR may be required.

HIGH ENERGY LASER SYSTEMS TEST FACILITY (HELSTF)

Question. Lastly, the Army has proposed cutting funding for the High Energy Laser Systems Test Facility (HELSTF) by about \$13 million. HELSTF has a host of valuable capabilities to the Department for directed energy testing and evaluation. I am concerned about the future of directed energy tests if HELSTF is underfunded and inoperable and would like to know the Department's plans for conducting such tests in the future.

Answer. Funding for HELSTF was reduced to provide funds for higher priority Army programs. HELSTF is an important test facility that will continue to support directed energy tests and evaluation needs of the Department of Defense. A capability to support solid-state laser development programs will still exist at HELSTF, and will be utilized by the Army. Specifically, a series of tests in support of the Army's High Energy Laser Technology Demonstrator (HEL-TD) are planned in 2008 thru 2013. A recent customer survey revealed that there are no identified test requirements for the Mid-IR Advanced Chemical Laser (MIRACL) or the Sea Lite Beam Director (SLBD), therefore the MIRACL and SLBD will be placed in storage.

HELSTF will continue to support the Department's need for directed energy test and evaluation by standing up a Solid State Laser (SSL) testbed. The intent of the Solid State Laser testbed is to allow a laser weapon system developer to bring lasers to HELSTF at an early point in the weapon system development program. The SSL testbed will allow investigation of the systems engineering and integration issues associated with weaponizing lasers without having to build a prototype of the complete weapon system. A fixed testbed, based on existing hardware in place at HELSTF, provides a near laboratory environment and allows field-testing of lasers at HELSTF test areas. A transportable testbed, based on the existing ex-THEL hardware, and complemented by transportable diagnostic sensors, data collection, data processing and range control equipment, is planned to support field-testing of more advanced prototypes. Army funding allows these systems, operated by Government technical staff, to continue to support SSL weapon system development programs of the DOD. As with any complex program, there is some risk that should a major component fail, sufficient funds to affect a repair may not be immediately available.

HELSTF will be positioned to support the Army's Counter-Rocket, Mortar, and Artillery (C-RAM) program, the Joint High Power Solid State Laser program, the Army's High Energy Laser Technology Demonstrator in the C-RAM role, and other SSL programs. The present workforce is sized and trained to operate MIRACL and SLBD. This workforce will be released in December 2007. In the near term, the smaller workforce will reduce the capacity at HELSTF; tests previously conducted in parallel may now have to be sequential, but in time the all government staff will acquire the training and experience to enable the facility to continue to provide the unique capabilities that HELSTF has traditionally provided to Directed Energy weapon system development efforts of the DOD. The staff will continue to help plan, design, and execute laser test and evaluation. Contract mechanisms are in place to supplement the Government personnel with contractor support, should the customer-funded workload require this.

Funding does not allow for acquisition of "adaptive optics" for the SSL Testbed. Without these optics to compensate for the effects of the atmosphere on the laser beam the range at which targets can best tested will be reduced. Modernization of other test capabilities to support Directed Energy are on going in the DOD Directed

Energy Test and Evaluation Capabilities (DETEC) program funded by the Central Test and Evaluation Investment Program (CTEIP). These capabilities are presently focused on providing improved instrumentation to support Directed Energy T&E. The majority of DETEC capabilities will be fielded at HELSTF.

The DOD's Directed Energy test and evaluation needs will continue to be supported by capabilities at HELSTF. It remains operational as the Nation's finest Directed Energy T&E Facility.

Question. I understand the Department plans to expand Special Forces by more than 10,000 soldiers over the next 5 years. How many of these forces will be part of AFSOC?

Answer. Over the next 5 years, fiscal year 2007–11, AFSOC will expand its force by 500 military and 155 civilians (this total includes classified personnel).

Question. DOD has requested \$1 billion to adjust the military's global posture. Why is this readjustment important to our defense and what can Congress do to help the process along?

Answer. The Department's request of approximately \$1 billion in PB08 for global defense posture realignment further advances critical posture changes already underway both overseas and as part of BRAC 2005. These changes comprise a long overdue effort to transform our overseas legacy forces, Cold War basing structures, host-nation relationships, and forward capabilities to better contend with post 9/11 security challenges. In fiscal year 2008 these changes include: continued redeployment of heavy divisions from Europe to CONUS; shifting south and east in Europe with transformation of the 173rd airborne brigade in Italy and establishment of Joint Task Force-East in Romania and Bulgaria; planning and design for future USMC realignment in the Pacific as part of U.S.-Japan force posture changes; development of basic infrastructure for current and future operations in the CENTCOM theater, and; development of bed-down infrastructure for new capabilities in Guam, Hawaii, and Alaska. Congress' continued support to fully fund BRAC changes is critical to the successful implementation of global defense posture. The Department appreciates that support, as well as Congress' vision in working with DOD to adapt our posture network globally for greater flexibility in the long war and other contingencies.

QUESTION SUBMITTED TO ADMIRAL EDMUND P. GIAMBASTIANI, JR.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

Question. I welcome this initiative and believe it should enhance our opportunity to build partnerships with the nations in Africa to help combat terrorism, reduce conflict, enhance stability, and promote the common values we share.

Since this is a new initiative, I don't know if you were able to request funding in your fiscal year 2008 budget proposal. Could you outline for the committee the funding requirements and provide an overview of the Department's vision for Africa Command?

Answer. In order to fully stand-up and operate the U.S. Africa Command (USAFRICOM) headquarters by the end of fiscal year 2008, we included a request for \$75.5 million in fiscal year 2008 base budget submission.

Our vision for USAFRICOM is that it will promote U.S. national security objectives by working with African states, allies, and regional organizations to strengthen regional stability and security. USAFRICOM will lead the in-theater DOD response and support other U.S. government (USG) agencies in implementing USG security policies and strategies. USAFRICOM will work closely with other USG and international partners to conduct theater security cooperation activities that build security and improve governance in the region.

As directed, USAFRICOM will conduct military operations to deter aggression and respond to contingencies unilaterally or jointly with African states and regional organizations. Furthermore, USAFRICOM will address the threats in and from Africa through security cooperation and collaboration with other USG agencies to conduct humanitarian and disaster relief operations; strategic communications and information operations; provide medical and HIV/AIDS assistance; conduct stability, security, transition, and reconstruction activities; build partnership capacity; civic action; security sector reform; and military-to-military activities.

SUBCOMMITTEE RECESS

Senator INOUE. This subcommittee will reconvene on Wednesday, March 7, when we will meet to discuss the military health program, and we will now stand in recess.

[Whereupon, at 11:45 a.m., Wednesday, February 28, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, March 7.]