DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2006

WEDNESDAY, APRIL 20, 2005

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

The subcommittee met at 10 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Domenici, Bond, Inouye, Leahy, Dorgan, Durbin, and Mikulski.

DEPARTMENT OF DEFENSE

NATIONAL GUARD

STATEMENT OF LIEUTENANT GENERAL H STEVEN BLUM, UNITED STATES ARMY, CHIEF, NATIONAL GUARD BUREAU

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much. We are pleased to have the opportunity to be with you this morning. We have just had the privilege of meeting them and having a photograph with them, but let me introduce to all who are here, and will you please stand when I call your name: First Lieutenant Reginald Brownlee of the Mississippi Army National Guard; Sergeant First Class Tara Niles, Illinois Army National Guard; Michelle Nelson, who is the spouse of Captain Mark Nelson, who is currently deployed with the Third Battalion of the 116th Infantry in Afghanistan, who is working with us on family affairs; Staff Sergeant Benjamin Moore of the Texas Air National Guard; and Staff Sergeant Charles Post of the Vermont Air National Guard.

Thank you very much for being with us and thank you for your service. We all are delighted to have you here this morning. Thank you very much.

This morning we are going to review the National Guard and Reserve programs. We have two panels scheduled. First we will hear from the National Guard leadership and then from the leaders of the four Reserve forces. I want to tell you all that we are in session now and we are going on the supplemental bill. We do not know when—we know the first hour we will not have amendments, but right after that we will start amendments and probably voting fairly early this morning.

Our first panel consists of: Lieutenant General Steven Blum, Chief of the National Guard Bureau; Lieutenant General Roger

Schultz, Director of the Army National Guard; Lieutenant General Daniel James, Director of the Air National Guard. We welcome you all this morning and thank you for what you have done in working with us.

We want to acknowledge, General Schultz, this is your final appearance, as we understand it, before the subcommittee. I am told you are retiring after 42 years of service. I have told others, my first father-in-law told me: Only in the English language does the word "retire" mean other than go to bed. So do not retire, General; just go to another job, okay. We thank you very much for your dedication and leadership and for your future endeavors.

I have a substantial introduction here, but I think I will yield to our co-chairman and see if he has remarks.

STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. Well, I would like to join you in welcoming our witnesses this morning. We have entered a new era in our Nation's military history. Your forces are spread around the globe and serving here at home by the thousands. Never before in our history has the Nation demanded so much from our Reserve component in a period where we are not at world war.

By all accounts, your forces have responded magnificently. The integration of Reserve forces by combatant commanders in Afghanistan and Iraq has been seamless and the bravery displayed by your members has been most impressive. All of you here today, especially those young men and ladies, should be congratulated for the jobs you have done in preparing the men and women under your command for the challenges that they have met and continue to meet every day.

I believe every Member of the Senate would concur in offering you and those who serve the utmost thanks.

PREPARED STATEMENT

Mr. Chairman, I have, as you have indicated, a rather lengthy opening statement, but I just want to say that we are very proud of the officers and men of the Reserves components.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUYE

Mr. Chairman, I want to join you in welcoming our witnesses today. Gentlemen we have entered a new era in our Nation's military history. Your forces are spread around the globe and serving here at home by the thousands. Never before in our history has the Nation demanded so much from our Reserve component in a period where we were not in a world war.

By all accounts your forces have responded magnificently. The integration of Reserve forces by combatant commanders in Afghanistan and Iraq has been seamless. The bravery displayed by your members has been most impressive.

All of you here today are to be congratulated for the jobs you have done in preparing the men and women under your command for the challenges that they have met and continue to meet every day. I believe every Member of the Senate would concur in offering you and those who serve with you our utmost thanks.

But as I say this, I know that the challenges facing our Reserve component are many and growing.

We know that many of you are facing recruiting difficulties.

We are aware of rising concerns that our returning reservists may be hard to retain in your units.

We know that shortfalls of equipment are likely to exist for those units when they return from service overseas.

We understand that some Reserve units that have been called to deploy overseas more than once since 9/11.

We know the stress and strain that our reservists, their families, and employers are experiencing from this unprecedented level of utilization.

So today gentlemen, we are here to hear your concerns and your proposals to right some of these problems that we see today and can expect in the future.

This is your opportunity to enlighten us on your challenges and your ideas. I very much look forward to your testimony today. Mr. Chairman, thank you the opportunity to hear from these much admired leaders.

Senator STEVENS. Let me recognize the chairman of the full committee, Senator Cochran.

STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. Mr. Chairman, thank you very much. I am pleased to join you and Senator Inouye this morning in welcoming our witnesses and thanking them and all who they represent for their great service to our country in this time of serious need. We appreciate the service of those who have been deployed to the theaters in Afghanistan and Iraq and elsewhere around the world. They are achieving great success in helping create a pathway to freedom and democracy and a world that will be free from terror for generations to come, and we appreciate that commitment very much.

I am glad to see Lieutenant Brownlee from Mississippi among the group that you introduced at the beginning of the hearing. We are proud of him, as we are all of those who are serving from all of our States.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you, Mr. Chairman.

Senator Dorgan.

STATEMENT OF SENATOR BYRON L. DORGAN

Senator DORGAN. Mr. Chairman, I will ask some questions following the statements, but I did want to add to the comments of the Senator from Mississippi. I think we have called on the National Guard and Reserve for an unprecedented commitment recently. They have performed in a spectacular way. I am very proud of the men and women of the National Guard.

General Schultz, thank you for your service. We wish you well in your retirement.

Senator STEVENS. Senator Mikulski.

STATEMENT OF SENATOR BARBARA A. MIKULSKI

Senator MIKULSKI. Thank you very much, Mr. Chairman. I too look forward to hearing the testimony of our outstanding witnesses. Like my colleagues, I just want to express my gratitude for the National Guard, truly the citizen soldiers who, serving in Iraq, Afghanistan, have served nobly, but are also right now in my home State of Maryland ready to do whatever our Governor demands that they need to do, either in support of national responsibilities or our State. Of course, with General Blum, he is a Maryland guy. We have been together for some time and we are so very proud of his leadership here, and of course General Tuxell of our Maryland National Guard.

Senator STEVENS. Senator Leahy.

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Well, thank you, Mr. Chairman. I too am glad to see they are here. I have worked with General Schultz and General Blum and General James. They know Vermont and the Vermont Guard. We are very proud of them. I am also glad we have a Vermonter, Sergeant Post, sitting in the front row.

General Schultz, I am going to miss you, but you can leave your office with the flags flying proudly for what you have done. I will continue to work with you.

Mr. Chairman, Senator Bond and I are the co-chairs of the National Guard Caucus and we have worked very hard with these gentlemen. I think all of us on the subcommittee are fortunate.

I know with more than one-third of our Vermont Guard mobilized, I am glad that we have leadership like you. Thank you.

Senator STEVENS. Thank you very much.

As I met those young people, my mind went back to the time when Senator Stennis was chairman of this committee and he asked Senator Hollings and me to go to Europe to find out about the morale of our people there. That was in the early 70s and we were at war in Vietnam. We were drafting a great many young people and an enormous number of them were in Europe, unaccompanied tours.

We went over there and found that many of them were married and their wives had followed them and they were living in third and fourth floor what we called cold water flats, but the morale was terrible.

Now we see the great advantage of relying on Americans to volunteer. This force that you all command, totally volunteers. That makes us doubly proud of them because they have signed up to defend our country. So we are honored to have these young folks with us this morning.

General Schultz, you are first, I believe, in presentation. May we call upon you—or was it you, General Blum? Who goes first?

General BLUM. Whichever, Mr. Chairman. We will go in whatever order you would like.

Senator STEVENS. No, no. You wear the stars; you tell me which is going first.

General BLUM. I will go ahead and start.

Senator STEVENS. Thank you very much. General Blum.

General BLUM. Mr. Chairman, members of the subcommittee: Thank you for inviting us today to speak before you, and we anxiously will await questions at the conclusion. We would ask that our formal statements be entered in the record.

As you all have stated, and I am so glad that you are aware, we are a Nation at war and your National Guard is in this war shoulder to shoulder with the active component. As each and every one of you know, you have combat brigades from Mississippi, Hawaii, just off of this committee, and every single member here has soldiers that I have just seen since Easter in Iraq, doing magnificently well, performing in an exemplary manner in a combat zone.

As a matter of fact, over one-half, over one-half, of the Army's combat power in Iraq today is Army National Guard, citizen sol-

diers from eight brigade combat teams. Eight brigade combat teams are on the ground in Iraq and one of the division headquarters from the National Guard, the 42nd Rainbow Division, is in Iraq today. So they are shouldering over one-half of the load and they are doing exceedingly well.

The National Guard, as you might imagine, has had to transform from what used to be a strategic reserve to an operational force that can deliver these kinds of numbers to the Air Force and the Army and to the combatant commanders overseas. As Senator Mikulski noted, they are not only in Iraq and Afghanistan; they are in Kosovo and Bosnia and the Sinai and Guantanamo and, as a matter of fact, 44 other nations as of this morning.

The National Guard is rebalancing to ensure that the Governors and the President has the National Guard that either the Governor needs day to day in the homes, in the States and the territories, or the President needs to be a Federal reserve of the Army or the Air Force and provide forces and capabilities to the combatant commanders.

The Air Guard continues to be involved in what the Air Force labels as the future total force and trying to determine what the Air Force of the future will look like in the next 20 years.

Let there be no mistake, our first and primary mission is homeland defense. You cannot be the National Guard and not be concerned with, not be concerned about defending the homeland. It has to be mission one for us, but it is not the only thing we do and it is not the mission that we have to perform at the exclusion of being able to be a Federal reserve of the Army or the Air Force.

The Guard supports emergency response managers in every State and territory in this Nation. We have committed to the Governors that we will never have less than one-half of the capability available to the Governor in that State or territory to do the protection of the citizens of those States and territories, either from terrorist acts or the ravages of Mother Nature that routinely come through our States and territories.

However, while the Air Force and the Army and the Department of Defense are keenly interested in ensuring that we have the equipment for the overseas war fight, we need to also make sure that they remain as keenly interested in providing us the equipment that we need so that we can retain these soldiers that come back from Afghanistan and Iraq, the most experienced force we have ever had, come back and have the equipment to train on for the next time they are needed, and to have the capability to deliver to the Governor; if something untoward should occur in a State or a territory, they would have the right capabilities with the right equipment.

So I would ask your attention and your assistance in ensuring that the reset or the reequipping of the Army National Guard and the Air National Guard after they come out of the combat zone to replace the equipment that was either asked to be left in theater, rightfully so, or worn out through fair wear and tear in very harsh conditions, or battle damaged, is restored so that when they come home we have more than just people coming home, we have capabilities coming back home to the National Guard that can be called upon, maybe even this evening if necessary.

Since October 2003, every single State has established a standing joint force headquarters, which is absolutely right when you are talking about how you are going to defend the homeland. This enables each Governor and each adjutant general of every State and territory the ability to leverage the joint capabilities of its Army and its Air National Guard, as well as the other Department of Defense assets that may be located in that State or territory and, beyond the military, it also allows them to have the relationships and exercise the capabilities with the inter-agencies that exist and the intergovernmental partners that will be so important in the defense of our homeland.

We have established 12 regional chemical, biological, radiological, and nuclear high-yield explosive enhanced response force packages that, when they are pulled together, give this Nation the capability to have, not one chemical biological incident response force (CBIRF) capable unit, but 13 CBIRF capable units. They are trained and equipped by the U.S. Marine Corps CBIRF and the First and Fifth United States Armies have certified their fitness and their readiness to respond to weapons of mass destruction effects or any other things that might require their special skills.

As you all know, recruiting has been a special challenge for the National Guard. This should not be a surprise to anyone. We were resourced, we had policies. We are a recruited force. But that was all set up for a National Guard that was a strategic reserve. So we have been scrambling along with the Congress in the last year and a half to make sure that we had the authorities and the resources we need to actually compete head to head in an environment where we have to be an operational force.

I want to thank this subcommittee and the other Members of Congress for the authorities that you have extended us, the reasonable changes that have been made, and the ample resources that you have provided us. We are not yet out of the woods, but we are starting on the road to recovery. We had a very good recruiting month in the month of March. It looks like we are going to have another good recruiting month in the month of April.

This would not have been possible if you had not given us those authorities and not given us the resources that we needed in terms of enlistment and reenlistment bonuses. There is one bonus floating out there I would ask you to look very hard at, and that is a bonus that is an affiliation bonus that allows someone from active duty to transition directly into the National Guard without having to be discharged and processed from active duty and then re-processed and spend taxpayers' money, several thousands of dollars, to bring them back into the system.

I think if we were to offer a $15,000 bonus we would have something that provides us the bridge for a seamless transition from active duty to the National Guard and it would help us immeasurably in recovering our recruiting force from prior service, our most experienced recruits and the ones that are most valuable to us, because they are already trained. The training has already been paid for and they are proven performers.

We have increased our enlistment and reenlistment bonuses. We have added 1,400 new recruiters. Thank you for allowing that to

happen, and that is starting to make a significant difference in the production rates that we are experiencing in our recruiting force.

Our Army National Guard units are not resources for high levels of readiness that today's environment demands. We had a full-time recruiting ramp—I mean a full-time force ramp, that probably was acceptable when we were a strategic reserve because it did assume some risk. It was not fully resourced at 100 percent, but when you use it as an operational force I think it is time to relook at the full-time manning ramp for the National Guard because we cannot take risks. When the President calls us or the Governors call us to do the type of work they are asking for today, we cannot fail and we need that full-time manning to ensure the equipment and the training and the personnel are ready and available when needed. So I would please ask this subcommittee to look hard at that.

Your Air National Guard is undergoing dramatic change and General James will talk about that in more detail in a few moments. The total force will provide a balanced force with proportional capabilities, but what concerns me, and I will say it outright, is that I am not certain that the Department of the Air Force and the Air Staff that is putting together this program really understands the essential element of a community-based Air National Guard.

If you lose a community base, I think we will lose something very, very valuable to this Nation that we will not be able to reestablish in a time of need. I would ask that as this future total force comes together that we consider the goodness of community basing in that program.

PREPARED STATEMENTS

In closing, I would tell you that the Guard is undergoing change at an unprecedented rate, we are operating as a joint entity, and we are proud to serve as America's 21st century Minutemen and women, always ready, always there, and we anxiously await your questions. Thank you.

[The statements follow:]

IN MEMORIAM

A Special Dedication to the men and women of the Army and the Air National Guard who made the ultimate sacrifice while serving the United States of America.

AMERICA'S 21ST CENTURY MINUTEMEN—ALWAYS READY, ALWAYS THERE!

National Guard Soldiers and Airmen lost during the attacks on 9/11, Operation Noble Eagle, Operation Enduring Freedom and Operation Iraqi Freedom as of March 11th, 2005.

SGT Leonard Wade Adams, NC
PVT Algernon Adams, SC
SPC Segun F. Akintade, NY
SPC Michael Andrade, RI
SPC Azhar Ali, NY
SGT Christopher James Babin, LA
SSG Nathan J. Bailey, TN
SPC Ronald W. Baker, AR
SGT Sherwood R. Baker, PA
1LT Gerald Baptiste, NY
SGT Michael C. Barkey, OH
1LT Christopher W. Barnett, LA
SGT Michael Barry, KS
SPC Todd M. Bates, OH
SPC Alan Bean Jr., VT
SGT Bobby E. Beasley, WV
CPL Joseph Otto Behnke, NY
SGT Aubrey D. Bell, AL
SPC Bradley John Bergeron, LA
SSG Harold D. Best, NC
SGT Dennis J. Boles, FL
SFC Craig A. Boling, IN
COL Canfield "Bud" Boone, IN
PFC Samuel R. Bowen, OH
SGT Larry Bowman, NY
SSG Hesley Box, Jr., AR

SSG Stacey C. Brandon, AR
SPC Kyle A. Brinlee, OK
SSG Cory W. Brooks, SD
SPC Philip D. Brown, ND
PFC Nathan P. Brown, NY
PFC Paul J. Bueche, AL
SPC Jimmy Dale Buie, AR
SPC Alan J. Burgess, NH
SGT Charles T. Caldwell, RI
SSG Joseph Camara, MA
SPC Jocelyn L. Carrasquillo, NC
SGT Frank T. Carvill, NJ
CAPT Christopher S. Cash, NC
SPC Jessica L. Cawvey, IL
SPC James A. Chance III, MS
SSG William D. Chaney, IL
SSG Craig W. Cherry, VA
SPC Don A. Clary, KS
MSG Herbert R. Claunch, AL
SPC Brian Clemens, IN
SGT Russell L. Collier, AR
SFC Kurt Joseph Comeaux, LA
SFC Sean M. Cooley, MS
SGT Alex J. Cox, TX
SPC Carl F Curran, PA
SPC Daryl Anthony Davis, FL
SPC Raphael S. Davis, MS
SSG David Fredrick Day, MN
SGT Felix M. Del Greco, CT
SPC Daryl T. Dent, DC
SPC Daniel A. Desens, NC
SPC Ryan E. Doltz, NJ
SPC Thomas John Dostie, ME
SPC Christopher M. Duffy, NJ
SGT Christian Philip Engeldrum, NY
SPC Michael Scott Evans II, LA
SGT Justin L. Eyerly, OR
SPC Huey P. Long Fassbender, LA
CPT Arthur L. Felder, AR
SPC Jon P. Fettig, ND
SGT Damien Thai Ficek, WA
SGT Jeremy J. Fischer, NE
SPC David Michael Fisher, NY
SGT Paul F. Fisher, IA
SPC Craig S. Frank, MI
SSG Bobby C. Franklin, GA
SSG Jacob Frazier, IL
SPC Armand L. Frickey, LA
SGT Seth Kristian Garceau, IA
SPC Tomas Garces, TX
SGT Landis W. Garrison, IL
SGT Christopher Geiger, PA
SPC Christopher D. Gelineau, ME
2LT Richard Brian Gienau, IL
SPC Richard A. Goward, MI
SGT Jamie A. Gray, VT
1LT Robert L. Henderson II, KY
SSG Kenneth Hendrickson, ND
SPC James J. Holmes, MN
SPC Jeremiah J. Holmes, ME
SGT Jessica Marie Housby, IL
SPC Robert William Hoyt, CT
SSG Henry E. Irizarry, NY
SPC Benjamin W. Isenberg, OR
SPC William Jeffries, IN
SPC David W. Johnson, OR
SFC Michael Dean Jones, ME
SPC Alain Louis Kamolvathin, NJ
SPC Mark J. Kasecky, PA
SPC James C. Kearney, IA
PFC David M. Kirchoff, IA
SGT Floyd G. Knighten Jr., LA
SPC Joshua L. Knowles, IA
SSG Lance J. Koenig, ND
CW3 Patrick W. Kordsmeier, AR
SFC William W. Labadie Jr., AR
SGT Joshua S. Ladd, MS
SPC Charles R. Lamb, IL
CW4 Patrick Daniel Leach, SC
PFC Ken W. Leisten, OR
SSG Jerome Lemon, SC
SPC Tiothy J. Lewis, VA
SGT Jesse Marvin Lhotka, MN
SPC Justin W. Linden, OR
SPC Jeremy Loveless, AL
SSG David L Loyd, TN
CPT Robert Lucero, WY
SPC Wai Phyo Lwin, NY
SSG William Francis Manuel, LA
SPC Joshua Samuel Marcum, AR
PFC Ryan A. Martin, OH
SPC Nicholas Conan Mason, VA
SPC Patrick R. McCaffrey, Sr., CA
1LT Erik S. McCrae, OR
SPC Donald R. McCune, MI
SPC Jeremy Wayne McHalffey, AR
SPC Eric S. McKinley, OR
SSG Heath A. McMillan, NY
SPC Robert Allen McNail, MS
SPC Kenneth A. Melton, MO
SPC Michael G. Mihalakis, CA
SFC Troy L. Miranda, AR
SPC Dennis B. Morgan, NB
SGT Shawna M. Morrison, IL
SPC Clifford L. Moxley, PA
SPC Warren Anthony Murphy, LA
SPC Nathan W. Nakis, OR
SPC Creig Lewis Nelson, LA
SPC Joshua M. Neusche, MO
SPC Paul Anthony Nicholas, CA
SGT William J. Normandy, VT
PFC Francis Chinomso Obaji, NY
SGT Nicholas Joseph Olivier, LA
SSG Todd Donald Olson, WI
SPC Richard P. Orengo, PR
SSG Billy Joe Orton, AR
SGT Timothy Ryndale Osbey, MS
SSG Michael C. Ottolini, CA
PFC Kristian E. Parker, LA
SGT Theodore L. Perreault, MA
SSG David S. Perry, CA
SGT Jacob Loren Pfingsten, MN
SGT Ivory L. Phipps, IL
SGT Foster Pinkston, GA
SGT Darrin K. Potter, KY
SGT Christopher S. Potts, RI
SGT Lynn Robert Poulin, SR, ME
SPC Robert Shane Pugh, MS
SPC Joseph Andrew Rahaim, MS
SPC Eric U. Ramirez, CA
SPC Christopher J. Ramsey, LA
PFC Brandon Ramsey, IL
SSG Jose Carlos Rangel, CA
SSG Johnathan Ray Reed, LA

SSG Aaron T. Reese, OH
SPC Jeremy L. Ridlen, IL
CPL John T. Rivero, FL
SSG William Terry Robbins, AR
SSG Alan Lee Rogers, UT
SFC Daniel Romero, CO
SFC Robert E. Rooney, NH
SPC David L. Roustrum, NY
SGT Roger D. Rowe, TN
SPC David Alan Ruhren, VA
CW4 William Ruth, MD
SPC Lyle Wyman Rymer II, AR
SPC Jeremiah W. Schmunk, WA
SPC Jeffrey R. Shaver, WA
SGT Kevin Sheehan, VT
1LT Andrew Carl Shields, SC
SPC Roshan "Sean" R. Singh, NY
SPC Aaron J. Sissel, IA
1LT Brian D. Slavenas, IL
SGT Keith Smette, ND
SGT Michael Antonio Smith, AR
CPL Darrell L. Smith, IN
CW4 Bruce A. Smith, IA
Maj Gregory Stone, ID
2LT Matthew R. Stoval, MS
SSG Michael Sutter, IL
SGT Robert Wesley Sweeney III, LA
SGT Deforest L. Talbert, WV
SFC Linda A. Tarango Griess, NE
SPC Christopher M. Taylor, AL
MSG Thomas R. Thigpen, Sr., GA
1LT Jason Gray Timmerman, MN
SGT Humberto F. Timoteo, NJ
SPC Seth Randell Trahan, LA
SPC Quoc Binh Tran, CA
2LT Andre D. Tyson, CA
PFC Daniel P. Unger, CA
PFC Wilfredo Fernando Urbina, NY
SGT Michael A. Uvanni, NY
SGT Gene Vance Jr., WV
1LT Michael W. Vega, CA
PFC Kenneth Gri Vonronn, NY
SSG Michael Scott Voss, NC
PFC Brandon J. Wadman, FL
SFC Mark C. Warren, OR
SSG David J. Weisenburg, OR
SPC Cody Lee Wentz, ND
SPC Jeffrey M. Wershow, FL
1LT Charles L. Wilkins III, OH
SPC Michael L. Williams, NY
SFC Christopher R. Willoughby, AL
SSG Clinton L. Wisdom, KS
SPC Robert A. Wise, FL
SPC Michelle M. Witmer, WI
SGT Elijah Tai Wah Wong, AZ
SGT Roy A. Wood, FL

PREPARED STATEMENT OF LIEUTENANT GENERAL H STEVEN BLUM

CNGB EXECUTIVE SUMMARY

Overview

The National Guard is essential and engaged in our hometowns and across the globe.

As of January 1st, there are more than 109,000 Army and Air National Guardsmen on active duty worldwide, with another 9,700 alerted and awaiting mobilization, and 2,900 more serving in a Title 32 or State Active Duty status. Over 240,000 guard members have been mobilized since September 11th. Today more than 40 percent of the forces on the ground in Iraq are Guard and Reserve, and that proportion is set to grow this year.

We conduct peacekeeping operations in Bosnia, Kosovo and the Sinai. We man the Avenger air defense batteries protecting our Nation's Capital, as well as Ground-based Mid-course Missile Defense interceptors in Alaska. We fly the vast majority of the air sovereignty missions over American cities.

The Guard supports emergency responders and managers at local, state and regional levels. We respond to fires, floods, blizzards, tornadoes and hurricanes. We counter narco-terrorism, protect critical infrastructure, conduct airport and border security missions and defend against physical and cyber attacks on our homeland.

We assist four combatant commanders as they engage in Theater Security Cooperation with our allies through our unique State Partnership Program, forging close bonds between our states and sovereign nations.

We continue to invest in our nation's most precious resource, our youth, through the Starbase, About Face, Drug Demand Reduction and ChalleNGe programs.

As the National Guard engages in every one of these endeavors, it also engages our families, employers, cities, towns and villages across this land—committing them to America's cause. When you call out the Guard, you call out America!

Support the Warfight Anytime, Anywhere

The Army National Guard is rapidly transforming from an under-resourced, Cold War, strategic reserve to an Operational Force ready for immediate employment across the full spectrum of the Global War on Terror.

In the 1990s, our National Guard divisions were not even in the Army's war plans; today, the first Guard division headquarters to deploy to combat since the Korean War is on the ground in Iraq and commanding active duty, Guard and Reserve forces.

We are rebalancing our forces in accordance with Army and Air Force requirements to ensure we have the right capabilities, in the right numbers, at the right places. We are converting, for example, our Cold War artillery into the military police, chemical, intelligence, surveillance and reconnaissance units we need for the current warfight. During the next three years, the Army National Guard will restructure to a Modular and Expeditionary force. No longer a "legacy force" or a strategic reserve, the Army Guard will have the same units and same equipment as the active Army. In order for this transformation to become a reality, it will require a long-term resource commitment on the part of Congress.

The Air Guard continues to modernize, creating a more capable and versatile force that will ensure continued American dominance in air power for the next 20 years. Air National Guard planes carry most of the precision-guided munitions dropped in Iraq, the result of congressionally directed procurement of targeting pods that has given the Air Guard capabilities superior to those of many active Air Force units.

The Guard's State Partnership Program provides a unique tool to strengthen our international alliances. This is a highly successful, direct military-to-military engagement program that has blossomed to embrace military-to-civilian and civilian-to-civilian interaction with 48 countries around the globe. It supports the theater engagement efforts of the commanders of Pacific Command, European Command, Central Command and Southern Command, and it is in direct support of the National Security Strategy imperative that we deter forward in those four critical areas.

More than 210 National Guardsmen and women have made the ultimate sacrifice in Iraq and Afghanistan, and thousands have been injured. We as a nation must ensure that the military medical system treats our wounded with the utmost care and respect. We also have a responsibility to Guardsmen who are so critically injured that they cannot return to military service or their former civilian careers. We want to ensure they have a smooth transition to Veterans Administration care. Additionally, we will do everything within our abilities to assist them in obtaining civilian jobs compatible with their grave injuries. The National Guard took the first step by creating a position in every state dedicated to helping all catastrophically wounded veterans—regardless of service or component—make that transition and receive the benefits they are due. Wherever possible, we hire a seriously wounded veteran to perform this duty. We also reach out to employers across America to encourage them to hire our wounded heroes.

A key aspect of the Guard's preparedness to go to war—or to provide service here at home—is the necessity to rearm and reequip our units as they return from abroad. Warfighting not only wears out equipment; in many cases, Guard units redeploying home are ordered to leave their equipment behind for follow-on forces. An Engineer company that returns home without bulldozers or earthmovers cannot train for the next deployment. It has trouble recruiting new Soldiers and is of diminished use to a governor in the event of an emergency. As operational tempo remains high across the Guard and we shift to becoming a no-notice or short-notice reserve, we cannot ignore the costs of "resetting" the force once it returns home. These costs, when added to the necessary expense of converting to modular and expeditionary units with equipment levels equal to those of their active Army counterparts, will be high—but will only increase if the inevitable is delayed.

Homeland Defense: Here and Abroad for over 368 Years

Mission One for the National Guard is Homeland Defense. The President, the governors, Congress and the Secretary of Defense have clearly insisted that the Guard be fully prepared to engage in Homeland Defense and to support Homeland Security missions while simultaneously engaged in combat overseas; in fact, they insist that we be more accessible than we've ever been in the past. Congress further enhanced the Guard's domestic Homeland Defense and Security mission capability in the 2005 Defense Authorization Act, by amending Title 32 of the U.S. Code to authorize the funding of homeland defense activities by the National Guard, upon approval of the Secretary of Defense.

We have committed to the governors—our state Commanders in Chief—that the National Guard will have sufficient capabilities under their control to meet their needs. Those capabilities include key assets for command, control and immediate response—the Joint Force Headquarters, Civil Support Teams, rapid reaction forces, medical, aviation, decontamination and engineering units.

At the state level, the Guard continues to strengthen ties with the Department of Homeland Security. In 23 states and territories, the Adjutant General serves as either the state Director of Emergency Management, the state Director of Homeland Security or both. The National Guard Bureau is also taking the lead in promoting

increased sharing of interagency and intergovernmental intelligence. By using a host of communications and intelligence networks linked to each state Joint Forces Headquarters, we are rapidly achieving a nationwide, state-by-state Common Operating Picture.

We are rebalancing forces among the states. Some of this is taking place across service lines; a medic is a medic, whether Army green or Air Force blue. The Joint National Guard Bureau will apportion medical, transportation, communication, police and other assets based on state needs—not just service-unique criteria.

Innovative solutions to Homeland Defense and Security challenges led us to leverage many capabilities previously envisioned for use only in our federal warfighting role. A year ago, we conceptually spoke of leveraging these capabilities. Today, it is a reality. Every state now has reaction forces to rapidly respond to a governor's summons—a company of 125 Army or Air Guard personnel within four to eight hours; a battalion of 500 personnel within 24 to 36 hours.

The Department of Defense has announced the activation of the final 11 Civil Support Teams. As a result, every state, territory and the District of Columbia will have this full-time asset capable of deploying, detecting and advising civil authorities on managing the effects of a Weapons of Mass Destruction attack.

Twelve regional Chemical, Biological, Radiological, Nuclear and high-yield Explosives Enhanced Response Force Packages—modeled on the single existing Marine Corps unit—were established and subsequently certified by the U.S. Marine Corps and U.S. Army. These force packages provide mass casualty decontamination, security and urban search and extraction in contaminated environment capabilities in addition to those of the Civil Support Team. The power of these response packages is that we leverage existing warfighting units in the Army and Air Guard by providing only modest amounts of additional equipment and training to create this critically needed, new capability.

Since October 2003, every state has had a provisional standing Joint Force Headquarters with the capability to coordinate, synchronize and control all military efforts in support of the lead state, local or federal agency responding to a crisis. These headquarters proved themselves remarkably capable last year handling myriad challenges—from responding to multiple deadly hurricanes in Florida, to operational control of forces for border security during Operation Winter Freeze, to full-scale command and control of all federal and state military forces during three separate National Security Special Events—the G–8 summit and the Democratic and Republican National Conventions.

The National Security Special Event command and control construct was a landmark achievement. For the first time in our nation's history, we attained unity of command for all military forces operating in support of a major security event—National Guard on state active duty, National Guard under USC Title 32 control, Army, Navy, Air Force and Marine Corps Title 10 forces—all commanded by a single National Guard commander from a state Joint Force Headquarters, operating in a joint, combined, intergovernmental and interagency environment.

Once the mission statements of the 54 state Joint Force Headquarters, as well as the Joint National Guard Bureau, are formally approved, we will begin providing our personnel with the Joint Professional Military Education they require to most effectively serve in their role as the 54 forward deployed headquarters for homeland defense and security. We are well within reach of our goals to improve the Guard's readiness to fight the Global War on Terror both at home and abroad and provide greater value in terms of efficiencies and effectiveness to the citizens of the states and of the United States.

Ground-based Midcourse Missile Defense interceptors, manned entirely by full-time members of the Alaska Army National Guard, have achieved limited operating capability at Fort Greeley. Similarly, the Air Guard continues the air sovereignty mission it has been conducting over this nation since September 2001, employing new facilities and new command and control infrastructure to improve the effectiveness of this mission. We continue to stand watch, as we have for nearly 400 years.

Transformation for the 21st Century

Transforming the Cold War-era mobilization process is a must in order to speed our shift from a strategic reserve to an operational force—and to increase Soldier retention.

Last year, we promised the governors—and our Soldiers and Airmen—a more predictable model for operational rotations. This makes it easier to plan for which units will be available for homeland defense and helps Guard members, families and employers better understand and prepare for their own future. We began implementing our plan this year, distributing the burden of deployments among states and units

as equitably as possible. Our goal is for every Guard member to know when and for how long they will deploy well in advance of their deployment date.

Recruiting for the Army Guard has been a challenge this past year. We saw remarkably high levels of retention among Soldiers and Airmen who deploy overseas with their units. However, prior service enlistments are significantly down and recruiting new Soldiers has been difficult. With the extensive new resources devoted by Congress, we hope to once again meet our goals. As a result of this congressional attention, we dramatically increased enlistment and reenlistment bonuses and added 1,400 new recruiters across the nation—an increase of more than 50 percent over the 2,700 recruiters we had. There remain, however, continued inequities between the bonuses and entitlements for which the Guard and Reserve are eligible and those that the active component receives.

Army Guard units are not resourced for the high level of readiness that today's environment demands. Since 9/11, over 75 percent of our divisional combat battalions—among the lowest resourced Army units—have been mobilized. Because of decades of maintaining units in peacetime at lower strength than authorized for wartime, nearly every Guard unit mobilized has required fillers. In effect, we are unable to mobilize a full-strength battalion without reducing the readiness of a second battalion.

In order to transform to a modern operational force, we need to change this practice. The Army Guard needs to man its units like the active Army, at full wartime strength. While this means reducing the overall structure, the result will be fully manned units and a more ready and accessible National Guard.

The number of aircraft in the Air National Guard will decrease as technologies increase capabilities. We will expand our medical, engineering, security and intelligence units through the Vanguard transformation program. The Air Guard also strives to increase its capabilities in joint operations through network-centric systems, such as the Enhanced Radio Location Reporting System—a means for tracking friendly units on the ground—and the Expeditionary Medical Support system—a highly mobile, integrated and multifunctional medical response suite that is currently in use in Iraq and is also ideal for rapid response here at home.

The Guard is undergoing change at an unprecedented rate. We are operating as joint headquarters in the states and jointly at the National Guard Bureau. We are leveraging new capabilities from our warfighting units for Homeland Defense, adopting new missions such as civil support and missile defense, working with the Army to revamp the mobilization process and the way we man our units. We are rebalancing forces for both the federal and state missions—all while conducting the daily business of disaster response at home and peacekeeping and warfighting overseas. Your National Guard—the spirit of our Soldiers and Airmen, is indomitable!

We are proud to serve as America's 21st Century Minutemen—always ready, always there!

PREPARED STATEMENT OF LIEUTENANT GENERAL ROGER C. SCHULTZ

"SERVING A NATION AT WAR: AT HOME AND ABROAD"

Message from the Director

The Army National Guard is an integral and vital component of the United States Army. The Guard is organized, trained and resourced to support the President and Congress of the United States. Since September 11, 2001, the Army National Guard has provided trained and ready units across the entire nation and the globe. The Army National Guard commits to continued support of the Global War on Terrorism both at home and abroad.

In 2004, the Army National Guard supported ongoing combat service in Iraq and Afghanistan, emergency service and reconstruction efforts in the aftermath of Florida's record number of hurricanes and enduring missions to the Balkans and Sinai Peninsula. The Army National Guard met the challenge of balancing our federal and state missions. Our Soldiers, families and employers deserve credit for a job well done in the face of strained resources.

This Posture Statement presents an opportunity to lay out in detail the Army National Guard actions to ensure our nation's defense, meet our strategic and legislative goals and transform to meet tomorrow's challenges. The Chief of the National Guard Bureau established our fiscal year 2006 priorities to Support the Warfight, Defend the Homeland and Transformation for the Future.

The Army National Guard balances its status as an integral element of the United States Army with its readiness to serve state governors and the people of our communities. Our Citizen-Soldiers represent thousands of communities across

America. Our Soldiers bring with them real-world experience and provide capabilities to address both domestic disasters and foreign conflicts.

The Army National Guard remains committed to transform into an Operational Force that continues to be capable of its dual role to support the Global War on Terrorism and the state governors. The Army National Guard's commitment to domestic and foreign affairs will remain at a consistent pace for the coming years. We are able to keep this commitment because of the continued dedication of our Soldiers, support from the families and the resources provided by Congress.

SUPPORT THE WARFIGHT ANYTIME, ANYWHERE

The Citizen-Soldier: Defending the Nation

The Army National Guard demonstrates it is a full partner of the Total Army Force. The Army National Guard provided ready units in support of a variety of overseas missions throughout fiscal year 2004.

The Army National Guard mobilized and deployed more than 95,000 Soldiers to war in support of Operation Noble Eagle (America's Homeland Defense), Operation Enduring Freedom (Afghanistan) and Operation Iraqi Freedom (Iraq). The Army National Guard conducts operations ranging from combat to peacekeeping and force protection to national missile defense missions. The Army National Guard meets operational requirements in conjunction with training activities in 84 countries. The Army National Guard balances missions with continued support to state and local authorities during natural and manmade disasters, Homeland Defense and Homeland Security.

The Army National Guard fortified its success with a long-term leadership role in the Balkans, supporting Peacekeeping Operations in Bosnia and Kosovo. Army National Guard units received assignment as Multi-National Force Observers in the Sinai Peninsula. The Active Component previously supported each of these operations. The Army National Guard will conduct these missions in the future.

Equipping the Force

The Army National Guard established funding priorities based on the Army Chief of Staff's vision for modernizing the total force core competencies. These competencies include training, equipping Soldiers, growing capable leaders and maintaining a relevant and ready land power. The Army National Guard focus is to organize and equip current and new modularized units with the most modern equipment available. This modernization ensures our ability to continue support of deployments, homeland security and defense efforts while maintaining our highest warfighting readiness. This requires the Rapid Fielding Initiative to equip our Soldiers with the latest force protection items, such as body armor with Small Arms Protective Insert Plates, Night Vision Devices and small weapons.

Intelligence Operations

Army National Guard Soldiers assigned to Military Intelligence play a vital role in the Global War on Terrorism and National Security. The Army National Guard deployed these Soldiers worldwide to support intelligence operations at the tactical, operational and strategic levels. During 2004, Army National Guard Military Intelligence units supported combatant commanders deployed in Bosnia, Kosovo, Afghanistan, Iraq, Kuwait, Saudi Arabia, Jordan, Turkey, Bahrain, Qatar, Oman, Djibouti, Guantanamo Bay and to Continental United States locations. Army National Guard linguists and analysts provided capabilities for government agencies such as the National Security Agency, Defense Intelligence Agency and elements of the State, Treasury and Justice Departments. At all levels of operation, Soldiers participate in sanctioned activities including imagery intelligence, signals intelligence, document exploitation, counter-drug and analysis-based intelligence. Our Soldiers engage in intelligence activities concurrently with training to improve their readiness and ability to remain a key asset in the defense of our nation.

Information Operations

The Army National Guard continues to provide Full Spectrum Information Operation Teams to support a broad range of Army missions. The Army National Guard Information Operations Field Support Teams provide tactical planning capabilities at all echelons. Army National Guard Brigade Combat Teams are deployed to theater with information operation cells that provide planning support to each level.

Innovative Readiness Training

The Innovative Readiness Training program highlights the Citizen-Soldier's role in support of eligible civilian organizations. By combining required wartime training with community support projects, Soldiers obtain the training they need and com-

munities receive needed assistance in completing various projects. Community benefits usually come in the form of construction projects or medical improvements.

More than 7,000 Soldiers and Airmen from across the United States and its territories participate annually in Innovative Readiness Training sponsored projects. Army National Guard missions include:

—Task Force Alaska leadership of a joint, multi-year engineering project to construct a 15-mile road on Annette Island, normally accessible only by boat;
—In Clarksburg, West Virginia, Army National Guard engineers continue efforts to expand and improve the Benedum Airport infrastructure;
—Task Force Grizzly and Task Force Douglas improved existing road networks in support of United States Border Patrol in California and Arizona;
—Rolling Thunder is a series of Oregon Army and Air National Guard projects designed to enhance military skills while adding value to local communities. Rolling Thunder provides a positive presence in Oregon communities and promotes public awareness of the Army National Guard; and
—The South Carolina Army National Guard instituted the REEFEX project. REEFEX utilizes decommissioned Army vehicles to create artificial reefs in the Atlantic Ocean off the coasts of New England and South Carolina.

Training the Nation's Warfighter

The Army National Guard's unique condition of limited training time, limited training dollars and, in some cases, difficult access to training ranges, demands an increased reliance on low-cost, small-footprint training technologies. Quick response by the Army National Guard to our nation's missions requires a training strategy that reduces post-mobilization training time. New virtual technologies and simulators therefore become critical tools to help Army National Guard maintain a ready Operational Force.

The Bradley Fighting Vehicle is the primary weapon system of the United States Army Mechanized Infantry and a critical system to the United States Army Cavalry. The Advanced Bradley Full Crew Interactive Skills Trainer virtual gunnery training system is a low cost, deployable training system that attaches directly to the Bradley Fighting Vehicle and supports home station training in advance of a live fire event.

The Virtual Convoy Operations Trainer provides training for combat convoys under realistic conditions that simulate the streets of Baghdad and other areas. This resource trains Soldiers to anticipate ambushes and other insurgent actions from all possible directions by allowing the crew to observe, maneuver and fire their weapons in a full, 360-degree circumference. These systems train mobilizing Soldiers in tactics, techniques and procedures for convoy operations within the U.S. Central Command Area of Responsibility.

The Engagement Skills Trainer 2000 simulates weapon-training events. This trainer provides initial and sustainment marksmanship training, static unit collective gunnery tactical training and rapid identity friend-or-foe training. Soldiers utilize this trainer primarily for multipurpose, multi-lane, small arms, crew-served and individual anti-tank training simulation. The trainer simulates day and night, as well as Nuclear, Biological and Chemical marksmanship and tactical training.

The Laser Marksmanship Training System simulates weapons training events that lead to live-fire qualifications for individual and crew-served weapons. This system is similar to the Engagement Skills Trainer 2000, but it weighs less, is transportable, uses batteries and requires no fixed facilities to maintain. This system allows the Soldier to use personal weapons to conduct individual and sustainment marksmanship training using Nuclear, Biological and Chemical equipment.

The Joint Training and Experimentation Program is a California National Guard training initiative. This program develops the technology that links the Live, Virtual and Constructive training environments into an architecture, which permits fully integrated exercises at the brigade level and below.

Information Technology

The Army National Guard successfully increased the bandwidth and provided a secure data link to the Joint Force Headquarters in each of the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia. The Army National Guard synchronizes its transformation efforts with the Department of the Army. The Army National Guard's modern wide-area network provides improved redundancy and increased network security. The Army National Guard G–6 will continue to support the Joint Warfighter by enhancing collaboration among the Total Force and leveraging superior Knowledge Management strategies in fiscal year 2006.

HOMELAND DEFENSE: HERE AND ABROAD FOR OVER 368 YEARS

Prepared and Ready

The national investment in Army National Guard training and readiness programs continues to pay strong dividends. Congressional attention and support directly enables the Guard's ability to robustly defend the homeland and provide trained and ready units to Combatant Commanders waging the War on Terror and engaging enemies abroad.

The Army and Army National Guard transformation is a process critical to meeting the challenges of today and the future. At the same time, the Army National Guard advances with proven readiness and training programs that are critical to our current successes and essential for those in the future.

The Army National Guard prepares to transform at an unprecedented pace while continuing the Warfight. National and state leaders can rest assured the Army National Guard remains committed to the responsibilities of its dual role. The Army National Guard commits itself to continued and immediate support of local civilian authorities while maintaining Relevant and Ready Forces in support of the Nation.

Full-Time Support

Fighting the Global War on Terrorism highlights the vital role Full-Time Support personnel serve in preparing Army National Guard units for a multitude of missions both at home and abroad. Full-Time Support is a critical component for achieving Soldier and Unit-Level Readiness. Full-Time Guard members are responsible for organizing, administering, instructing, training and recruiting new personnel. They maintain supplies, equipment and aircraft. Full-Time Support personnel are imperative to the successful transition from peace to war and have critical links to the integration of the Army's components. To meet readiness requirements, the Chief of the National Guard Bureau, in concert with the Adjutants General, increased Full-Time Support authorizations as a priority for the Army National Guard.

While the Army National Guard made progress in recent years to increase Full-Time Support, obstacles remain in obtaining acceptable Full-Time Support levels. It is critical that Full-Time Manning increase in the near term to a minimum 90 percent of the total requirement to help ensure the highest readiness level, C1.

Training to Protect the Homeland

The training priority for the Army National Guard is preparation of combat-ready Soldiers that limits lengthy post-mobilization periods. The requirements for missions at home and abroad direct the training emphasis of the Army National Guard in contemporary operating environments. As a result, Army National Guard units remain fully prepared, equipped, trained and ready to operationally deploy and swiftly mobilize to meet regional and territorial responsibilities.

For a second consecutive year, the Army National Guard met or exceeded the Secretary of Defense's Duty Military Occupational Skill Qualification training goals. In fiscal year 2004, the Army National Guard achieved 83.08 percent qualification status. This specific training goal increases to 85 percent in fiscal year 2005. The Army National Guard added training schools to meet the needs of our Soldiers for operational missions at home and abroad. These efforts resulted in 7,000 additional Soldiers now meeting deployment standards.

In an effort to respond to the contemporary training needs of units and Soldiers, the Army National Guard plans to establish "Training for Urban Operations" at our facilities. We currently operate one entire suite and two Mobile Military Operation Urban Terrain sites. Additional facility construction programmed over the next five years at four National Guard Training Centers will better support mobilizations. A future construction plan targets four more sites.

Protecting Those Who Protect America

The Army National Guard adheres to the Army's new Safety Campaign Plan and incorporates it into the Army National Guard's Safety and Occupational Health regulation. The Army National Guard will continue to emphasize the Defensive Driving Course in the coming years. The Army National Guard Safety and Occupational Health Office is a partner with adjacent and higher level safety organizations to identify and implement successful methods of combating all our safety related problems.

Keeping the Force Strong: Recruiting and Retention

The Army National Guard ended fiscal year 2004 by achieving 99 percent of our retention objectives and exceeding attrition goals. This accomplishment falls 7,082 Soldiers short of our End Strength goal of 350,000 Soldiers. To meet this same End Strength goal in fiscal year 2005, the Army National Guard's enlisted accession mis-

sion is 63,000 Soldiers funded at a 50/50 Non-Prior Service/Prior Service ratio. The Active Component End Strength increase, high operational tempo and reduced propensity of prior service Soldiers to join the Army National Guard prove a challenge to our recruiting mission. The reduction in Active Component members transitioning into a reserve capacity requires the Army National Guard to increase accession of Non-Prior Service candidates. Funding constraints limit the Army National Guard's ability to maintain a presence on school campuses to attract Non-Prior Service candidates. As a result, we witnessed a drop in recruits from the high school and college graduate pool. The Army National Guard currently works with the Army Personnel leadership to identify funding requirements in the Recruiting Action Plan.

The Army National Guard implemented retention and attrition programs and is developing new initiatives to minimize projected attrition impacts of the 12–18 month mobilization cycle. To date, recent operations have not significantly affected loss rates of units returning from deployment. Our current loss rate of Soldiers demobilized through December 2004 is 11.3 percent of the entire demobilized Soldier population since 9/11. This loss rate is well below our current overall Army National Guard loss rate of 18.8 percent with the Army National Guard goal being 18 percent losses. We remain cautiously optimistic that developing Army National Guard retention programs, initiatives and enhancements based on Unit Post Mobilization Survey data will preempt the kind of high loss rates resulting from the Operation Desert Storm/Shield era.

The Army National Guard launched an aggressive new marketing campaign, "American Soldier," targeting Non-Prior Service candidates. This comprehensive campaign reaches prospective Guardsmen through radio, television, college marketing, internet media, event marketing and point-of-sale materials, promotional items, print media and mass mailings. This marketing tool enables the Army National Guard to effectively execute its mission and recruit quality Soldiers. Supplemental funding identified as required in our Recruiting Action Plan is critical to continue "American Soldier" through fiscal year 2005.

The Army National Guard is taking several steps to ensure we achieve fiscal year 2005 objectives. These objectives include introduction of a comprehensive Recruiting and Retention Non-commissioned Officer Sustainment Training program with internal Mobile Training Teams. Enhancements to the "YOU CAN" school programs and educational seminars include six new and 24 updated school presentations. These programs provide Army National Guard recruiters entry into the secondary school markets. We emphasize access to the secondary schools at regional and state-level educational seminars and work with professional educators to facilitate direct marketing of the Army National Guard programs. Initiatives to strengthen Commissioned Officer levels in fiscal year 2005 include a dedicated Officer Recruiting blitz. This concentrated effort involves a coordinated campaign amongst national, regional and state officer recruiting personnel. Additional support focused on Army Medical, Chaplain, Warrant Officer and Basic Branch recruiting complement our overall Officer Recruitment campaign.

Recruiting and retaining Soldiers for the Army National Guard proves to be challenging during wartime. In fiscal year 2005, the Army National Guard increased the accession mission from 56,000 to 63,000 to compensate for fiscal year 2004 shortfalls. The Army National Guard trained 971 new recruiting and retention non-commissioned officers through December 2004 and will add 1,400 more in 2005. This addition will increase our ability to recover from current End Strength and accession shortfalls. The assistance outlined above, coupled with successful implementation of key initiatives, is imperative to attaining the End Strength mission.

Environmental Programs

The Army National Guard continues implementation and full utilization of initiatives consistent with the new Army Strategy for the Environment and Installation Sustainability. Begun in fiscal year 2002, the Training Center Sustainment Initiative reduces mission impacts through identification and prioritization of environmental vulnerabilities. Range sustainment initiatives ensure maximum continuous use of Army National Guard training lands for our Soldiers. This comprehensive, web-based tool provides sustainability analysis on our training lands and valuable analytical decision-making tools for Army National Guard leaders. The Training Center Sustainment Initiative, in conjunction with Environmental Management Systems implementation and continued Geographical Information Systems integration, greatly supports active stewardship of the environment.

Ground-based Midcourse Defense

Defending against ballistic missile attack is a key component of the National Security Strategy for Homeland Security. In the initial defensive operations phase, the Army National Guard will play a major role in this mission as the force provider for the Ground-based Missile Defense system. We requested a fiscal year 2005 funding increase in the Active Guard Reserve manpower authorization in the President's Budget Request to support this new role. The Ballistic Missile Defense program is dynamic—undergoing constant refinement and often late-breaking changes and decisions. The Army National Guard, as the force provider, may require last-minute changes in Active Guard Reserve manpower authorizations and related funding for missile defense decisions. Timely congressional support of these requests is imperative for the Army National Guard to provide the necessary manpower resources to the vital Homeland Defense mission. Soldiers serve in two statuses: (1) Title 32 Active Guard Reserve status performing duty consistent with the core functions by 10 USC 1019d)(6): organizing, administering, recruiting, instructing or training other members of the reserve components; (2) Title 10 Active Guard Reserve status performing the Federal Ground-based Missile Defense operational mission duties (for the duration of those duties). To support these manpower resources, Soldiers performing operational missions function in Title 10 status. Soldiers performing non-operational missions remain in Title 32 status.

Logistics and Equipment

The Army National Guard continues modernization to the digital force with the emerging technologies that will dramatically improve logistical support for these systems, substantially reduce repair times, increase operational readiness rates and eliminate obsolete and unsustainable test equipment. Use of these technologies allows the Army National Guard to operate heavy equipment at a higher operational rate while reducing the overall costs for these systems.

EQUIPMENT MODERNIZATION SHORTFALLS IN THE ARMY NATIONAL GUARD

High-Mobility Multi-Purpose Wheeled Vehicles
Single-Channel Ground and Airborne Radios
UH–60 Helicopter
Night Vision Devices
Small Arms

The Army National Guard currently retains a significant portion of the Army's maintenance infrastructure. This Cold War infrastructure is expensive and redundant. Under the Army's new maintenance strategy, the Army National Guard and other Army elements continue consolidation of maintenance systems. This initiative enhances the maintenance system and improves efficiency. Army maintenance personnel effectively diagnose and maintain equipment by reducing maintenance tasks to two levels instead of four.

Personnel Transformation

Critical "paperless" Personnel Transformation innovations are underway within the Army National Guard. Our web-based Personnel Electronic Records Management System utilizes digital imagery to store and retrieve personnel records. This state-of-the-art technology provides seamless records management capability throughout the Total Army. The system enhances both mobilization and personnel readiness. With over 320,000 Soldiers deployed in over 120 countries, the necessity for a Total Army Records Management solution is paramount.

Aviation Transformation and Modernization

The Army National Guard's aviation transformation supports efforts to transform for the future. Aviation transformation and modernization increases our ability to support a joint warfight while enhancing our responsiveness for Homeland Defense. We are reconfiguring our aviation units into modularized units of action and units of employment to align with Army plans. Reduction of the UH–1 Huey fleet to 100 aircraft should occur by the end of 1st Quarter fiscal year 2005. We will complete aircraft reallocations within the National Guard system, turn in aircraft legacy systems and transfer remaining aircraft from active component units.

The Army National Guard provides almost half of the Army's aviation structure. The rate of modernization, planned quantities of most aircraft and current funding levels influence the ability to maintain combat-ready status. Aging and obsolete rotary wing assets average over twenty years of service life. Fixed wing assets also show signs of age. The Army National Guard started removing Utility C–26 aircraft from service and retiring utility C–12 aircraft. C–23 cargo aircraft offer marginal capabilities for wartime cargo movement requirements. Current plans provide no alternative replacement for our fixed wing assets.

The active Army cascaded significant quantities of UH–60 Blackhawk, CH–47 Chinook and AH–64 Apache aircraft to the Army National Guard. This procurement still leaves us permanently short of adequate combat rotary wing systems. The Army National Guard anticipates receiving only 174 of the required 220 AH–64 Apaches, 131 of the required 159 CH–47 Chinooks and 662 of the required 710 UH–60 Blackhawks. Acquisition of AH–64 Apaches will consist of only 60 of the modernized AH–64D "Longbow" model.

Modernized aircraft require modern facilities to support them. Upgraded and updated facilities ensure our ability to logistically support modernized systems once in place. Fielding equipment (tool set, tool kits, test equipment and parts) necessary to support new aircraft failed to keep pace with transformation. We fund the majority of support items by diverting funds from other Army National Guard programs. Training demands for transitioning units cause further stress for already overburdened training sites. While the Army National Guard meets these challenges, eventually we will exceed our capacity to respond and adapt. We need to obtain necessary logistical support and infrastructure to sustain our aviation structure in accordance with Army readiness standards. Without increased funding, the Army National Guard Aviation Force risks lower readiness rates, reduced capability and obsolescence.

Training in "One Army"

Training centers support our ability to conduct performance-oriented training under real-world conditions. The Army National Guard modernizes and restructures in accordance with transformation needs for Future Force ranges and maneuver areas that effectively meet evolving warfighting requirements. Ranges and training land provide live fire experience. We face a number of continuing challenges in sustaining Power Support Platforms and modernizing Army National Guard live-fire ranges and range operations for the Stryker Brigade Combat Team. The Army National Guard will consolidate range and training land investment documentation under the Sustainable Range Program.

The Army National Guard achieves training excellence by leveraging the Distributed Learning construct. Distributed Learning improves unit and Soldier readiness through increasing access to training resources and reducing unnecessary time away from the home station. Interactive Multimedia Instruction courseware, Satellite programming and distance learning offer needed instruction for Soldiers and units. Current Distributed Learning addresses training priorities such as Duty Military Occupational Skill Qualification reclassification and other professional military and functional training.

The Army National Guard engages in a full spectrum of civil-military operations. Our Soldiers represent every state, territory and sector of society. Today they represent their nation serving honorably throughout the world. In these critical times, the Army National Guard must maintain readiness. A vital part of the Army's force structure, the Army Guard remains a community-based force committed to engage in overseas missions while protecting and serving our cities and towns. The Army National Guard has proven itself capable of carrying out its goals of supporting the Warfight, defending the Homeland and transforming into a ready, reliable, essential and accessible force for the 21st century.

PREPARED STATEMENT OF LIEUTENANT GENERAL DANIEL JAMES, III

MESSAGE FROM THE DIRECTOR

This has been another exceptional year for the Air National Guard. Despite our serious obligations and missions in prosecuting the Global War on Terrorism, our members remained at the forefront of Homeland Defense abroad and at home. During fiscal year 2004, Air National Guard crews flew well over 50 percent of the fighter, tanker and airlift sorties for Operation Noble Eagle while postured for Air Sovereignty Alert at 16 of 17 sites; provided almost one-third of the fighter sorties in Operation Enduring Freedom; and provided over one-third of the fighter and tanker sorties for Operation Iraqi Freedom. Air National Guard crews also supported 75

percent of the tanker sorties and over 60 percent of the airlift sorties to other theaters. In addition, Air National Guard Expeditionary Combat Support capabilities support operations and exercises around the world. More than two-thirds of the Air National Guard force engaged in worldwide operations since 9/11.

Air National Guard members could not participate at these levels without continued support from Congress and the American people. Congress has worked hard to provide the support and the necessary resources to take care of the troops and their families, allowing the troops to focus on the mission. Citizen-Airmen answer the call as they always have and are receiving the tools to accomplish these demanding, dynamic missions at home and abroad. Additionally, our members' employers continue to step up to the plate by providing financial and employment security that exceeds the standards. This, too, helps our people focus on the mission.

The Air National Guard will continue to perform these homeland defense and expeditionary missions even as our organization transforms to meet future requirements. Through VANGUARD, the Air National Guard's strategy to remain relevant, we will continue to work with Air Force leadership to achieve the right mix of forces across the full spectrum of operations. We will continue to develop organizations that create synergistic effects for the resources involved by adhering to the core values associated with unit-equipped missions, by integrating where it is smart or by creating other unique organizational structures. We will seek new missions, such as the F/A–22, Predator, missions in space and information operations, while modernizing systems that will increase mission effectiveness. We will recruit and retain the best the nation has to offer while developing our people into Total Force leaders. Our success will require the focused effort of all stakeholders to ensure the necessary capabilities will be available for Hometown America while leveraging the community experience of our members. While we face these challenges together, community, state and national leaders can be sure the Air National Guard will remain Ready, Reliable, Relevant . . . Needed now and in the future!

SUPPORT THE WARFIGHT ANYTIME, ANYWHERE

Total Force Partner in the Expeditionary Air and Space Force

The Air National Guard has been and will continue integrating into the Air and Space Expeditionary Force employment concept. Since its inception, Air National Guard men and women in aviation and support packages routinely rotated to support exercises and real-world operations around the globe. As the Air Force adjusts this concept to meet current and future requirements, the Air National Guard adjusts as well to maintain Citizen-Airmen presence globally. Air National Guard capabilities are often singularly sought because of our experience and unique capabilities. Two such capabilities are the Theater Airborne Reconnaissance System and the ability to employ the 500-pound Joint Direct Air Munitions.

Across the full spectrum of operations, Air National Guard men and women continue to volunteer for duty in record numbers. The Volunteer is a key attribute continuously leveraged to supply needed capabilities while giving commanders the ability to efficiently and effectively manage the most precious resource: People. Volunteerism combined with high experience levels and unique skills mean an outstanding support for the war fight.

Network Centric Warfare and the Air National Guard

The Air Force's vision of Network Centric Warfare is a fully integrated digital system, which delivers seamless, survivable, instant capability to execute the Joint Force Commander's desired effects. This system provides Global Network Connectivity, network enabled weapons platforms, fused intelligence capability, real-time situational awareness and command and control. A dramatic transformation must occur in the Air Force and the Air National Guard in order to make the vision of this integrated digital system a reality.

With this transformation initiative, our focus shifts from information technology to the management of information. Information technology personnel will no longer merely manage circuits, computers and the infrastructure, but also manage the movement of information. Information will be stored centrally, with authoritative ownership, in a common format. This will permit information to be accessed by anyone, across functional domains, in real-time. Governance of the information structure will be elevated to the Air Force global level, with tiered responsibilities down to the client device. Systems and their infrastructures will utilize standardized components and configurations. Applications, systems and content will be web-enabled, stored in the Global Combat Support System and accessed through the Air Force portal from anywhere, at any time.

Transformation in the Information Technology domain is expensive. Information management initiatives affect every mission and member in the Air National Guard. Legacy systems must be retired; Information Technology infrastructure must be dramatically reduced and centralized. New systems and their infrastructures must be implemented even as existing systems continue to be used.

These initiatives will reduce strategic decision cycles to minutes and tactical decision cycles to milliseconds. Transformation in the Information Technology domain is expensive, but participation in NetCentric Warfare brings continued relevance to the Air National Guard by ensuring that our weapon systems, command and control processes and information are fully integrated with the Air Force. We must remain linked with the Air Force's transformation efforts in order to remain responsive to combatant commanders and continue to be a responsive, enabled and reliable partner in the Total Force. Continued fiscal support in the Information Technology arena must be sustained.

Engineering Support to the Warfighter

The Air National Guard civil engineering structure is based on a joint military-state cooperative agreement for the day-to-day operation of installations. This lean and efficient structure allows our organization to support the many missions of the National Guard while concentrating on support to the wider Air Force engineering mission. The Air National Guard contributes roughly 30 percent of the total Air Force engineering capability and has been involved in front line operations in Afghanistan and Iraq. Recent gains in operations and maintenance funding for mobility equipment allowed engineering teams to outfit for their prominent role in the current War on Terrorism. Important gains were made in acquiring equipment resources for more specialized items like chemical detectors and RED HORSE equipment. This is one area where an increased capability will ensure mission effectiveness.

Intelligence, Surveillance and Reconnaissance Systems and Support: Holding the High Ground

The Air National Guard's Intelligence, Surveillance and Reconnaissance personnel and systems play a vital role in the defense of our nation. Air National Guardsmen and women are essential to Air Force tasking, processing, exploitation and dissemination missions to support Global Hawk, Predator and U–2 collection missions in every combat theater today. Through Eagle Vision, a deployable commercial imagery downlink and exploitation system, the Air Force transformation keeps the Air National Guard a responsive, enabled and reliable part of the total force responding to the combatant commanders' requirements.

The Air National Guard provides valuable support to aircrew mission planning and targeting, as well as imagery support for counter-terrorism and natural disasters.

Other developing Air Force capabilities entrusted to the Air National Guard include the F–16 Theater Airborne Reconnaissance System and the C–130 SCATHE VIEW tactical imagery collection system. The Theater Airborne Reconnaissance System emerged as a major impact capability in the Operation Enduring Freedom and Operation Iraqi Freedom theaters as the need for timely imagery became vital to the ground battles there. The presence of the Air National Guard Theater Airborne Reconnaissance System prompted Air Force leadership to conclude that manned tactical reconnaissance is still required in today's joint combat operations and will remain so into the near future. Consequently, Air National Guard is bolstering the airborne reconnaissance capability to include a Synthetic Aperture Radar, a streaming datalink and, eventually, a multi-spectral sensor to provide battle managers with real-time, allweather, 24-hour "kill-chain" support.

SENIOR SCOUT remains the primary signal collection asset to support the nation's war on drugs and the Global War on Terrorism within the southern hemisphere. The expanding, ever-changing world of Intelligence, Surveillance and Reconnaissance promises to continue challenging the Air National Guard to remain a relevant part of the success of this vital mission for the Total Force.

HOMELAND DEFENSE: HERE AND ABROAD FOR OVER 368 YEARS

Air Sovereignty Alert

Since September 11, 2001, thousands of Air National Guard personnel have provided complete air sovereignty across the United States. Maximizing the traditional basing locations, capitalizing on high experience levels and leveraging a long professional history in Air Defense operations, the Air National Guard continues to serve as the backbone of this vital mission for the near future. A major improvement to the alert force manning posture is the current transition to a more "steady state"

force from the traditional mobilized force. In addition, the national command and control infrastructure, to include datalink connectivity, is undergoing a major upgrade to digitize air sovereignty information, allowing real-time assessments for the national-level decision-makers. The Joint Air Operations Center that enhances the protection of the Nation's Capital is one example of new hardware and software sets available to streamline alert operations and to reduce reaction and decision-making times to a fraction of the former capability. As we move toward the fiscal year 2006 Program Objective, the National Guard will continue toward a more modernized alert force and successfully execute this vital Homeland Defense mission.

Facilities Supporting Homeland Defense

Air National Guard Civil Engineering infrastructure is available at 87 locations across the United States. This level of unit distribution supports the Air National Guard missions by providing a broad base for recruiting and retention and enhancing the overall need for a response capability in the event of a terrorist attack or natural disaster. Civil support teams are a highly visible response capability within each state, but the disaster response capabilities of the Air National Guard civil engineering units located within each state are significant as well. Civil Engineering capabilities provide fully equipped fire departments staffed with personnel trained in hazardous material response, disaster preparedness specialists equipped with chemical and biological detection equipment and the full range of craftsmen and equipment operators that can be brought to bear for any situation in a matter of hours. Continued funding support will further strengthen this capability by providing an essential equipment package for emergency response—a capability already on hand at active duty bases but not yet deployed to Air National Guard locations. The post-September 11 environment placed new requirements on the facilities program as well. Our efforts to implement appropriate anti-terrorism and force protection features are progressing, but there is much work ahead. Plans focus future efforts on improving base entry gates, perimeter security and internal circulation patterns and parking. These improvements will create a safer platform for execution of the Air National Guard's missions.

Medical Service Transformation—Dual Mission Concepts Supporting the Warfight and Homeland Defense

The Expeditionary Medical Support system provides highly mobile, integrated and multifunctional medical response capabilities. They are the lightest, leanest and most rapidly deployable medical platforms available to the Air National Guard today. This system is capable of simultaneously providing expeditionary combat support to the warfight, the Air and Space Expeditionary Force missions and Homeland Defense emergency response capabilities to the states and the Air National Guard Wings. ONE SYSTEM—TWO MISSIONS!

The U.S. Central Command validated that the Expeditionary Medical Support System is a perfect fit for the Chief of Staff, U.S. Air Force Global Strike Task Force and Concept of Operations. The Expeditionary Medical Support System is currently utilized in Iraq to provide medical support to the combatant commanders and all components. The modular "building block" capability of the system provides an advanced technology and an essential, tailored medical capability in a small, forward footprint expandable to meet situational needs.

The National Guard Chemical, Biological, Radiological, Nuclear and High-Yield Explosives Enhanced Response Force Packages were mission-tasked to deploy, on order, to a chemical, biological, radiological, nuclear or high-yield explosives incident to support both Department of Defense installations and civil authorities in conducting consequence management operations. The time of response for this capability is between six and 72 hours. This timeframe is the perceived gap between local and federal response times. This package will serve as a medical reach back capability for the National Guard, will ultimately ensure a seamless medical response between the local-state-federal agencies and will provide support to the Civil Support Teams.

To date, Small Portable Expeditionary Aeromedical Rapid Response packages, which comprise the initial components of the Expeditionary Medical Support packages, are available in twelve states. Numerous state emergency plans cite emergency departments, operating rooms and medical bed expansion as serious constraints or shortfalls in effectively managing an incident. Expeditionary Medical Support systems will most definitely be able to provide medical triage and treatment until civilian sources are capable of absorbing patients into the civilian healthcare system. Future plans include at least one Expeditionary Medical Support system capability in each Federal Emergency Management Agency region and to complete the packages and provide training for the medical counter-chemical, bio-

logical, radiological, nuclear and high-yield explosives mission at each Air National Guard unit in each state not collocated with an active duty or reserve unit.

The Air National Guard will continue to transform medical capabilities to support the warfight, support homeland defense and meet both federal and state requirements. This will be accomplished through the efficient, effective, and economical use of resources by developing dual tasked missions. ONE SYSTEM—TWO MISSIONS!

TRANSFORMATION FOR THE 21ST CENTURY: RELEVANT NOW . . . AND IN THE FUTURE

Clearly a full partner across the spectrum of operations and in every theater, the Air National Guard will strive to maintain its proportionality across the major weapons systems as it transforms through the VANGUARD strategy. With experience levels normally higher than our active duty counterparts—especially in the pilot and maintenance communities—it is only natural that this experience be leveraged for future missions. The integration of the 192nd Fighter Wing, Virginia Air National Guard, with the active component's 1st Fighter Wing at Langley AFB, VA, to fly the F/A–22 Raptor; the stand-up of the first integrated Predator unit in which the California and Nevada Air National Guard are members; and the activation of a "Community Based" F–16 unit with the Vermont Air National Guard are a few of our current initiatives. The Nebraska Air National Guard is continuing to use its unique capabilities to find new ways to support the 55 Wing at Offutt AFB, NE, Recent initiatives by the Air Force include a partnered Texas and Arizona Air National Guard Predator unit and a Distributive Ground Station with the New York Air National Guard. These initiatives show commitment by the current Air Force and National Guard Bureau leadership to transform air and space capabilities as a Total Force; however, Air National Guard leadership will use required resources to ensure the right mix of forces in future missions. It is also imperative that developing mission requirements be identified so units can more easily transfer from one mission to the next.

The Air National Guard's 88 flying locations provide a broad spectrum of support to governors and the Nation as a whole. Mission areas such as Civil Engineering, Security Police, Medical and Civil Support Teams provide critical links from National Command Authority down to first responders in our local communities. The synergies that exist due to the Air National Guard Units locations on Civilian Airports strengthen ties to both National and state leadership that reinforce the homeland defense mission in ways not found on Active Duty installations. Efforts are underway to put appropriate anti-terrorism and force protection measures in place at all 88 flying locations, but much work and resources are required to complete the task. These and future improvements will create unique civilian and military capabilities in the homeland defense mission that cost the country very little, yet afford protections of vital transportation modes that are the economic engine of the United States.

Continued transformation is needed in the joint battle arena to ensure full connectivity among the joint and coalition forces. Lessons learned from recent operations are flowing into the planning and modernization efforts across the Air Force and the Air National Guard. A current example of this effort to transform into a seamless joint force is the use of the Enhanced Radio Location Reporting System-based networks in ground operations. A U.S. Army developed tactical internet system, the network information provides positive location of all friendly forces, a particularly valuable piece of information in urban air operations.

Modernizing for the Future

The Air National Guard modernization program is a capabilities-based effort to keep the forces in the field fully mission capable. As a framework for prioritization, the modernization program is segmented into three periods: short-term, the current and next year's Defense budget; medium-term, out to fiscal year 2015; and long-term, out to fiscal year 2025 and beyond. In the short-term, the Air National Guard Modernization Program focuses on the ongoing Global War on Terrorism. Theaters of operation range from domestic efforts, such as fire fighting, to full partners overseas in Operation Iraqi Freedom and Operation Enduring Freedom. The modern battlefield demands that Air National Guard weapons systems and crews have identical or equivalent capabilities as joint and coalition forces. The results of the modernization program are graphically demonstrated in both Operation Iraqi Freedom and Operation Enduring Freedom. The Block 25/30/32 F–16s, with their laser designator LITENING II targeting pods, and the Enhanced Position Reporting System/Situation Awareness Data Links are the air weapons system of choice for the combatant commanders in both theaters, especially when performing very demanding close air support missions.

Air National Guard weapons systems are crucial now and will continue to be vital as the Air National Guard transitions to new missions. The timeless warrior for ground forces, the A–10 requires an upgraded digitized cockpit, precision targeting pods, a tactical datalink, upgraded engines and a robust data processing capability to allow the accurate delivery of current and future weapons.

During 2004, Air Guard F–16s provided crucial combat capabilities in Operation Noble Eagle, Operation Iraqi Freedom and Operation Enduring Freedom. The current modernization program includes the Commercial Central Interface Unit, Color Multifunctional Displays, the Heads-up Display Advanced Electrical Unit, the Radar Modernized Programmable Signal Processor, the AN/ALR–69 Radar Warning Receiver Antenna Optimization, Situational Awareness Data Link upgrade and the Electronic Attack upgrade. Fiscal year 2005 funding for the 40 Advanced Identify Friend or Foe upgrade kits was secured along with funding for six F100–PW–229 engines for Block 42 aircraft combat capability enhancements.

The Theater Airborne Reconnaissance System became a key capability for the theater commanders after the recent deployment of the Air National Guard F–16s with this capability. The installation of the Forward Looking Infrared system, an essential capability during combat rescue operations, on the HC–130 is complete. The HC–130 is also being equipped with the Large Aircraft Infrared Counter Measure system that will increase survivability in face of the ever-increasing threat from hand-held missiles.

The HH–60 program started installation of the new M3M .50 caliber door guns and replaced personal equipment for the pararescue jumpers with state-of-the-art weapons and technologies. The initiation of the Personnel Recovery Vehicle program to take the place of the HH–60 replacement program will further slow modernization efforts.

The Operational Support Aircraft Modernization Program leased two C–40s, the military version of the 737 Boeing Business Jets. These have become the aircraft of choice for the U.S. Congress and civilian and military leaders. The Air National Guard provides crucial first class support for the active duty Air Force by providing these aircraft to the airlift pool.

Training the Air National Guard air and ground crews remains a top priority. This is evidenced by the Air National Guard investment in the Distributed Mission Operations infrastructure and facilities. The A–10, F–16, F–15 and E–8C Joint Surveillance and Target Attack Radar System have all attained various levels of service and provide valuable, theater-level warfare training. The continued development of the Distributed Training Operations Center in Des Moines, Iowa, makes it the hub of Distributed Mission Operations across the Air Force.

The E–8C Joint Surveillance and Target Attack Radar System was deployed before the start of combat operations in support of Operation Iraqi Freedom, and remains in-theater as a constant presence and critical warfighting capability. The operators developed new techniques to fuse intelligence with other resources and sensors. When combined with a robust theater datalink network, Joint STARS becomes an especially formidable battlefield asset. Several key upgrades were highlighted by recent deployment and combat operations: re-engining to enhance reliability, maintainability and operational availability, in addition to installation of the Traffic Alert Collision Avoidance System to comply with Global Air Traffic Management standards.

To retain critical tactical airlift capability, the Air National Guard is modernizing the C–130 fleet by installing the multi-command Avionics Modernization Program, acquiring the AN/APN–241 Low Power Color Radar, installing the Night Vision Imaging System and continuing the development of Scathe View. Other Air Guard programs include the AN/AAQ–24 (V) Directional Infrared Countermeasures System, propeller upgrades like the Electronic Propeller Control System and NP2000 eight-bladed propeller and the final certification of the Airborne Fire Fighting System. Additionally, the Air National Guard continues to field new C–130J aircraft to replace the aging C–130E fleet.

The KC–135 weapons system installed the cockpit upgrade and continued the R-model upgrades. Keeping the aging fleet modernized challenges the Air National Guard as the refueling operations evolve to meet the next mission.

The Air National Guard Modernization Program is essential to fielding a relevant combat capability, ensuring the dominance of American air power for the next 15 to 20 years. An open and honest dialogue from the warfighter through Congress will maximize this investment of precious tax dollars. The modernization program is a process, not a goal. Recent combat successes validate that process and serve as a model for future transformation of the United States Air Force.

Facilities Supporting Transformation

As the Air National Guard continues with transformational initiatives, the facilities program keeps pace. Drastically improved funding levels for both maintenance and repair and minor construction allow us to focus on both new mission infrastructures, like the conversion to C–5's at Martinsburg, WV, and Memphis, TN, as well as support improvements to existing facilities. As Air Force and Air National Guard transformation initiatives progress, there will be a continuing drain on the construction program to support these new missions. Although funding is currently secured to implement plans, continued support is vital so existing infrastructure and facilities are not neglected.

Recruiting, Retaining and Developing the Right People With the Right Skills for Today and Tomorrow

Air National Guard Recruiting and Retention programs play a vital role in supporting our Homeland Defense mission and our successful transformation to the future, and they are the driving factor as to how well we support the warfighter. The Air National Guard has been very successful in the past by recruiting quality members and retaining them by taking care of their needs. It is critical for us to access the right people and retain current members as we transform our force and transition to different missions.

Provisions of the 2005 National Defense Authorization Act enhance recruiting and retention for the Reserve Components. Though provisions of the 2005 National Defense Authorization Act provide enhanced authority for bonus programs, the Air National Guard budget does not yet have the wherewithal to adequately fund these programs. Our ability to achieve recruiting and retention goals through fiscal year 2006 will undoubtedly be a key factor in how well we assume new missions and support Homeland Defense for the Nation. Continued support will establish a strong baseline from which to achieve future goals.

Diversity

One aspect of the Force Development construct is ensuring implementation of the Air National Guard's national diversity strategy. This approach increases mission readiness in the organization by focusing on workforce diversity that assures fair and equitable participation for all. The Air National Guard developed a formal mentoring initiative that is ready for a nationwide rollout. This program will be a key component in the professional development of Air National Guard members with a keen focus on leadership. In today's unpredictable world, the Air National Guard builds on its diversity for a broader variation of career paths to include experience, education and training. Our nation is multi-cultured, and the Air National Guard strives to reflect that in our units.

Personnel Force Development

The Air National Guard partners with the Air Force in multiple Total Force transformation initiatives. These initiatives are tied with the Office of the Secretary of Defense's new paradigm—Continuum of Service—and will require simplified processes and rules. Continuum of Service is a transformation for personnel management designed to remove legislative and policy barriers to the seamless transition of our members to and from the various military statuses in order to facilitate the way our members are employed in the full range of operational worldwide missions. A more integrated approach to military personnel management is imperative to face the emerging threats of the 21st century.

PREPARED STATEMENT OF MAJOR GENERAL PAUL J. SULLIVAN

JOINT STAFF OVERVIEW

In 2004, we reported on the many changes in the areas of Transformation, Jointness and Homeland Defense within the National Guard. These initiatives transformed the way we do business today and bring us fully in line with the Goldwater-Nichols era of jointness. We made significant progress in transforming into an organization that is doctrinally and functionally aligned like the Joint Staff of the Department of Defense.

A parallel transformation to a joint headquarters continues in the states as well. In 2004, the Chief of the National Guard Bureau approved provisional operation of the Joint Force Headquarters in the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia. A draft Joint Table of Distribution to make each a recognized joint activity was submitted to the Joint Staff in September 2004.

We started the implementation of the Joint CONUS Communications Support Environment. It provides a common, secure means through which the Joint Force Headquarters State, U.S. Northern Command, U.S. Strategic Command and U.S. Pacific Command can coordinate their response to any domestic emergency. We continue to address emerging requirements with the combatant commanders as they develop. And we continue to work with the Adjutants General to leverage National Guard force capabilities through initiatives such as the regional Chemical, Biological, Radiological, Nuclear and High-Yield Explosive Force Packages and the reaction forces at the state level.

These transformation initiatives capitalize on the unique nature of the National Guard—there is no other active or reserve component positioned and experienced to work in a joint interagency and intergovernmental environment through a single command authority (governor through the Adjutant General). In the Global War on Terrorism, the ability to work in a joint, combined interagency and intergovernmental environment is more important than ever.

Our goal is to achieve full operating capability for our Joint National Guard Bureau and Joint Force Headquarters State by September 2006. Improving the Department of Defense's access to National Guard capabilities is our principal focus. Our transformation will ensure that the Guard remains ready, reliable, essential and accessible!

SUPPORT THE WARFIGHT ANYTIME, ANYWHERE

State Partnership Program

The National Guard State Partnership Program links states with a foreign nation partner to improve bilateral relations with the United States. The program's goals reflect an evolving international affairs mission for the National Guard. Specifically, it promotes regional stability and civil-military relationships in support of U.S. policy objectives, and at this moment it is helping to develop dependable collaborative partners for U.S.-led coalition operations in support of the Secretary of Defense's concept of global engagement.

The program supports the combatant commanders in that cooperative security is achieved, and just as importantly, the National Guard personnel gain invaluable experience interfacing with people of diverse cultures. The state partners actively participate in a host of engagement activities ranging from bilateral familiarization and training events to exercises, fellowship-style internships and civic leader visits. The partner countries benefit from exposure to the concept of military support to civil authority as well as to a cost-effective reserve component model.

Since the last Posture Statement, the State Partnership Program has held more than 325 events between the partners and added six new partnerships—Florida-Guyana, Virginia-Tajikistan, Colorado-Jordan, Delaware-Trinidad & Tobago, North Dakota-Ghana and Wyoming-Tunisia. And because of the success of the program, the countries of the Bahamas, Serbia and Montenegro have also requested partnerships.

The National Guard, with its ability to develop long-term relationships with people from other countries as well as develop contacts in both civil and military realms, is better positioned than the active components to enhance regional stability and promote civil-military relationships.

In fiscal year 2006 and beyond, we expect to take the program to the next level of security cooperation by working with geographic combatant commanders. We look for increased interaction at the action officer and troop level. The partner countries are eager for more hands-on (how to) engagement events. The National Guard will step up and accomplish these new objectives.

National Guard Family Programs

Since 9/11, National Guard members have been deployed in greater numbers and in more locations than at any time since World War II. The role and support of the family has been and continues to be critical to mission success. The National Guard Family Program has developed an extensive communications and support infrastructure to assist families during all phases of the mobilization and deployment process. There are more than 400 National Guard Family Assistance Centers located throughout the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia. These centers provide information, referral and assistance for anything that families experience during a deployment. Most importantly, these services are available to any military family member from any branch or component of the Armed Forces. National Guard Online Community, which is comprised of the public website, www.guardfamily.org, as well as an internal Knowledge Man-

agement site and computer-based training modules to assist families and Family Program staff, supports the Family Assistance Centers.

If family members are not prepared for deployments, a service member's readiness, morale and ultimately retention will be affected. The Family Program office provides support to program coordinators through information-sharing, training, volunteer management, workshops, newsletters, family events and youth development programs among other services. Since last year, the National Guard Family Program has initiated its Guard Family Team Building Program, which trains and educates families on National Guard missions and expectations, readiness responsibilities and systems to support more self-reliant, independent and self-sufficient lifestyles for all Guard families.

Employer Support of the Guard and Reserve

The National Defense Strategy requires that the National Guard and Reserve be full partners in the Total Force. Our National Guard and Reserve members will spend more time away from the workplace defending the nation and training to maintain mission readiness. Employers are inextricably linked to a strong national defense.

A nationwide network of local Employer Support volunteers is organized in Employer Support of the Guard and Reserve (ESGR) Committees within each state, the District of Columbia, Guam, Puerto Rico and the Virgin Islands. In this way, Employer Support programs are available to all employers, large and small, in cities and towns throughout our country. Today, nearly 4,500 volunteers serve on local ESGR Committees. With resources and support provided by the National ESGR Committee and the National Guard Bureau, the 54 ESGR state committees conduct Employer Support and Outreach programs, including information opportunities for employers, ombudsman services and recognition of employers whose human resource policies support and encourage participation in the National Guard and Reserve. In recognition of the importance of Employer Support to the retention of quality men and women in the National Guard and Reserve and the critical contributions of the ESGR state committees, the National Guard Bureau provides full-time assistance and liaison support to the Joint Forces Headquarters and the 54 ESGR state committees.

The success of the nation's defense depends on the availability of the highly trained members of the Total Force. The basic mission of Employer Support of the Guard and Reserve is to gain and maintain support from all public and private employers for the men and women of the National Guard and Reserve, as defined by a demonstrated employer commitment to employee military service. The National Guard Bureau is committed to the additional mission of Employment Support. In today's environment, there is a strong need to provide employment opportunities for our redeploying service members with an emphasis on our disabled veterans. One of the most important tasks our country faces is ensuring that our men and women in uniform are fully reintegrated into the civilian workforce when they return from service to our country.

Youth ChalleNGe Program

The award-winning National Guard Youth ChalleNGe Program is a community-based program that leads, trains and mentors at-risk youth at 29 program sites throughout the country to become productive citizens in America's future. As the second largest mentoring program in the nation, the ChalleNGe program is coeducational and consists of a five-month "quasi-military" residential phase and a one-year post-residential mentoring phase. A Cadet must be a volunteer, between 16 and 18 years of age, drug free, not in trouble with the law, unemployed or a high school dropout.

Serving as a national model since 1993, the 24 states and the Commonwealth of Puerto Rico that offer the program graduated over 55,800 young men and women. Participants graduate from the program equipped with the values, skills, education and self-discipline necessary to succeed as adults in society. Significantly, although many ChalleNGe candidates are from at-risk populations, over 70 percent of ChalleNGe graduates have attained either a General Equivalency Diploma or a high school diploma. Furthermore, approximately 20 percent of all graduates choose to enter military service upon graduation.

The National Guard Counterdrug Program

In 1989, the U.S. Congress authorized the National Guard to perform drug interdiction and counterdrug activities under Section 112, USC Title 32. For more than 15 years, this program has built great credibility with over 5,000 law enforcement agencies through consistent and reliable support of counterdrug operations. That support has complemented America's homeland security through a visible deterrent

to potential threats. The primary mission of the counterdrug program is to support law enforcement operations aimed at the importation, production and distribution of illegal drugs and, secondly, to support community-based drug demand reduction programs, which touched nearly 2.5 million people in 2004.

In fiscal year 2004 (October 1, 2003-September 30, 2004) the National Guard supported efforts that led to 61,029 arrests and assisted law enforcement in seizing the following:

Cocaine	102,382 pounds
Crack Cocaine	7,162 pounds
Marijuana eradicated	1,878,108 plants
Marijuana (processed)	842,509 pounds
Methamphetamines	10,759 pounds
Heroin	1,389 pounds
Ecstasy	411,520 pills
Other/Designer Drugs	14,870,793 pills
Weapons	8,359
Vehicles	15,102
Currency	$216,000,270

There are six general counterdrug mission categories: program management; technical support; general support; counterdrug related training; reconnaissance and observation; and drug demand reduction support. In 2004, approximately 2,372 National Guard personnel in a Title 32 status provided counterdrug support, in addition to preparing for their wartime mission through required training.

Due to the tremendous effectiveness of National Guard training programs and the growing need for specialized training, the National Guard also operates five congressionally authorized counterdrug training academies to provide training to both law enforcement and community-based officials. These no-cost school programs are open to both civilian and military personnel and offer courses in both supply interdiction and demand reduction training.

The National Guard Counterdrug Program is an integral part of the synchronized cooperation between and among the Department of Defense and federal, state and local agencies across the full spectrum of homeland defense operations. With the annual authorization and appropriation by the Congress and the support of the Secretary of Defense, the governors' annual counterdrug state plans will become the framework for domestic operations. Through these operations, National Guard personnel assist nearly 5,000 law enforcement agencies at home each year. As we continue our support and engagement with the Global War on Terrorism, the National Guard Counterdrug Program provides critical complementary support to the combatant commanders in Northern and Southern Commands. By leveraging our unique military capabilities, national resources and community focus, we can play a central role in shaping our nation's response to drugs and associated transnational security threats.

HOMELAND DEFENSE: HERE AND ABROAD FOR OVER 368 YEARS

National Guard Reaction Force

The National Guard has over 368 years of experience responding to both the federal government's warfighting requirements and the needs of the states to protect critical infrastructure and ensure the safety of our local communities. To improve the capability of the states to respond to threats against the critical infrastructure within their borders, the Chief of the National Guard Bureau asked the Adjutants General to identify and develop a Quick Reaction Force-type capability. The goal is to provide a trained and ready National Guard force to the governor of each state or territory capable of responding in support of local, state and, when required, Department of Defense requests. The National Guard Bureau works with the states and territories to identify current response capabilities, as well as with U.S. Northern and U.S. Pacific commands to ensure that National Guard capabilities are understood and incorporated into their response plans. We have also begun to identify additional requirements for force protection and interoperability with civilian emergency responders. The National Guard Reaction Force is not a new capability or concept. What is new is the concept of standardized training and mission capabilities shared by the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia, thereby enhancing those capabilities.

Full Spectrum Integrated Vulnerability Assessment

The Full Spectrum Integrated Vulnerability Assessment program is another National Guard Homeland Defense initiative. Teams of National Guard Soldiers or Airmen are trained to conduct vulnerability assessments of critical infrastructure in order to prepare and plan emergency mission response in the case of a terrorist attack or natural disaster. This program is designed to execute the necessary preplanning to educate civilian agencies on basic force protection and emergency response; develop relationships between emergency responders, owners of critical infrastructure and National Guard planners in the states; and deploy traditional National Guard forces in a timely fashion to protect that critical infrastructure. In developing this concept, the National Guard Bureau worked with the Office of the Assistant Secretary of Defense for Homeland Defense to establish policies and standards. During 2004, the Guard Bureau trained six teams to conduct vulnerability assessments. With this new initiative, the National Guard continues its time-honored tradition of preparedness to respond at a moment's notice in defense of America.

Weapons of Mass Destruction Civil Support Teams

The National Guard continued to strengthen its ability to respond to chemical, biological, radiological, nuclear and high-yield explosive events by adding twelve new Weapons of Mass Destruction Civil Support Teams during 2004. Since the September 11, 2001, attacks, the existing 32 certified Civil Support Teams have been fully engaged in planning, training and operations in support of local and state emergency responders. These full-time teams were designed to provide specialized expertise and technical assistance to the incident commander by identifying chemical, biological, radiological or nuclear substances; assessing the situation; advising the incident commander on potential courses of action; and assisting the response team with innovative technology and expertise.

Operationally, these teams are under the command and control of the governors through the respective Adjutant General in a USC Title 32 status. The National Guard Bureau provides logistical support, standardized operational procedures and operational coordination to facilitate the employment of the teams and to ensure supporting capability for states currently without a full-time Civil Support Team.

During fiscal year 2004, the National Guard Civil Support Teams were actively involved in assisting emergency responders throughout the country. This included 52 requests from civil authorities.

In accordance with Congressional mandate and Department of Defense direction, the National Guard will add 11 new teams in fiscal year 2005 so that each of the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia will have at least one full-time team.

Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive Enhanced Response Force Package

The National Guard developed an initiative to equip and train existing traditional National Guard units in 12 states to provide a regional response in the event of a domestic Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive attack. This Enhanced Response Force Package capability consists of traditional National Guard Soldiers and Airmen who are rapidly recalled and deployed in teams to assist emergency responders. These units can secure an incident site, search for and extract casualties, and conduct mass casualty decontamination. The Enhanced Response Force Package is designed to be a follow-on force that complements the detection and advisory functions of the Civil Support Teams.

The National Guard Bureau identified 12 states to test this initiative and provided them with specialized equipment necessary to conduct mass casualty decontamination, medical triage, and casualty search and extraction. Individual and collective training on decontamination and medical triage tasks were successfully conducted during fiscal year 2004, with search and extraction training scheduled for fiscal year 2005.

These traditional National Guard units are now organized, trained and equipped to perform this critical mission and are able to provide a regional response in support of both Defense Department installations and the civilian community should a Chemical, Biological, Radiological, Nuclear, or High-Yield Explosive attack occur.

National Security Special Events

During fiscal year 2004, three National Security Special Events required National Guard leadership and forces to provide support to the Department of Homeland Security. These events were the G–8 Summit Conference in Sea Island, GA, the Democratic National Convention in Boston, MA, and the Republican National Convention in New York City. For each of these events, the National Guard provided support

to local, state and federal agencies for security and protection to the participants and local citizenry.

For the first time ever, these events formalized the use of a National Guard Officer, in a dual United States Code Title 10 and Title 32 status as a Joint Task Force Commander. For these events, the Title 10 and Title 32 forces were under a command and control configuration that promoted a single point of accountability for operations to the combatant command, U.S. Northern Command. It also ratified a concept of operations that provided unity of effort for both Homeland Security and Homeland Defense activities. These events and the concept of the operations involving the incorporation of the Title 32 forces established a baseline precedent that will serve this nation in the security and defense of its homeland.

Intelligence for Homeland Security

During fiscal year 2004 and continuing into 2005, the National Guard Bureau's Joint Intelligence Directorate instituted a number of well-designed initiatives. An unclassified information system called Homeland Security Information System was installed and is operational in all 54 Joint Force Headquarters. An additional unclassified system, the Open Source Information System, is also operational at most of these headquarters, with training on the system either underway or completed at most sites. The directorate has provided daily intelligence briefings to these headquarters while developing intelligence architecture and standardized intelligence tools that result in a common operating picture, situational awareness and maximum efficiency for information-sharing. Working with the Joint Force Headquarters, the Intelligence Directorate has drafted a Joint Intelligence Table of Distribution and Position Description, which is under review for approval at the Department of Defense.

The directorate continues to evolve within the National Guard Bureau. We have produced the Joint Intelligence mission statement and a mission essential task list. A classified information system is being installed at the Joint Operations Center to provide information-sharing at the classified level. The directorate continues to establish partnerships with national-level intelligence agencies for information-sharing and to leverage training opportunities. In addition, intelligence support to National Security Special Events and to Homeland Security joint exercises is a top-priority of Joint Intelligence. National Guard Bureau leaders receive regular intelligence briefings on such events, as well as briefings on world and local events.

TRANSFORMATION FOR THE 21ST CENTURY

Transformation to a Joint National Guard Bureau

The central elements of our historic dual mission are to provide policy, coordination and resources that permit the augmentation of the Army and Air Force with federalized National Guard forces in time of war or national emergency and to support the governor and combatant commanders with non-federalized forces to meet homeland defense needs.

The National Guard Bureau crafts the strategies that will result in the implementation of the Secretary of Defense's guidance to improve National Guard relevancy and support to the War on Terrorism, Homeland Defense and Homeland Security. The National Guard Bureau has presented the concept and implementation plan to achieve formal recognition as a joint activity of the Department of Defense to the services, which would formally establish the National Guard Bureau as the Joint National Guard Bureau.

Joint Force Headquarters-State

In fiscal year 2004, the Chief of the National Guard Bureau approved provisional operation of the Joint Force Headquarters in each of the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia. These headquarters serve as joint activities and exercise command and control over all assigned, attached or operationally aligned forces. They provide situational awareness of developing or ongoing emergencies and activities to federal and state authority and, as ordered, provide trained and equipped forces and capabilities to the military services and combatant commanders for federal missions. They support civil authority with capabilities and forces for homeland security and domestic emergencies.

The National Guard Bureau is working to obtain approval of Joint Force Headquarters-State as a recognized joint activity, and submitted a draft Joint Table of Distribution to the Joint Staff in September 2004.

National Guard Enterprise Information Technology Initiatives

The National Guard continues to aggressively promote and support the use of its Enterprise Information Technology for our warfighters in the execution of their mis-

sions at all levels, including Homeland Security and Homeland Defense. The National Guard Bureau is implementing new initiatives as part of the National Guard Enterprise to support the Guard's expanding role for Homeland Defense, as well as for mobilization and deployment. The initiative will utilize National Guard telecommunications resources, specifically distributed learning classrooms and video teleconferencing assets to link Civil Support Teams in thirteen states. In March 2004, the National Guard resources assisted the Department of Homeland Security with the ongoing development of Buffer Zone Protection Plans. These are a vital component to the overall protection of the country's key assets and critical infrastructure. Use of this technology saved thousands of dollars in travel costs; promoted sharing and collaboration among senior homeland security coordinators and advisors in the 50 states, Commonwealth of Puerto Rico, two U.S. Territories and the District of Columbia; and helped standardize information and guidance for the field.

Another initiative is the development of the Virtual Mission Preparation capability. This is a prototype that provides a web-based, portal technology with the capability to display real-time unit status, as well as overall mobilization readiness status down to the individual Soldier level. It was developed in Pennsylvania to support the 28th Division's rotation to Bosnia. It is now being applied to Operation Iraqi Freedom and to stand up the 56th Stryker Brigade of the Pennsylvania Army National Guard. The system provides functionality that has application across the Army National Guard to improve deployability and capability to meet Department of Defense and emergency response missions.

Homeland Security Joint Interagency Training Centers

In April 2004, the Chief of the National Guard Bureau commissioned a study on the feasibility of creating a Homeland Security Center of Excellence with sites in the eastern and western United States. These centers would function as Joint Interagency Training Centers (JITC), which would provide the needed education and training to National Guard personnel and our intra- and interagency partners in Homeland Security and Homeland Defense.

The study recommended that:

—Camp Dawson, WV, be known as JITC-East, with the primary focus on Chemical, Biological, Radiological and High-Yield Explosives and Continuity of Operations

—The National Interagency Civil Military Institute relocate from Camp San Luis Obispo to the Naval Air Station at San Diego, enabling the establishment of JITC-West with the mission focus on maritime/port security and cross border security.

The mission of the centers is to provide a joint training environment that focuses on the detection, prevention and deterrence of the terrorist cycle over the near-term and supports the transformation of the Armed Forces for the long-term to win the Global War on Terrorism. The centers will be dual-use, military and civil support; provide a range of training consistent with the June 2003 Department of Defense Training Transformation Implementation Plan; and educate, train and exercise Department of Defense and Intergovernmental, Interagency and Multi-national partners/organizations in conjunction with ongoing Homeland Defense operations in accordance with guidance from the National Guard Bureau.

Joint CONUS Communications Support Environment

Under USC Title 10, one of the National Guard Bureau's purposes is to be the channel of communications between the National Guard of the several states and the Departments of the Army and Air Force. That role includes providing an interface for communications between federal and state agencies concerning incidents involving homeland security. U.S. Northern Command, U.S. Pacific Command, U.S. Strategic Command and other federal agencies require "continuous situational awareness" of incidents occurring in the states related to homeland security and the associated activities of the National Guard while acting under state or federal control. A command and control requirement exists when both the president and governor agree to designate a National Guard commander under the provisions of USC title 32, Section 325 for National Security Special Events. This was the case during 2004 for the G8 Summit and both national political conventions.

In 2004, the National Guard Bureau initiated implementation of the Joint Continental United States Communications Support Environment. This state-federal network connectivity concept involves national-level management and integration by long haul, tactical and other service communication capabilities. This system will provide U.S. Northern Command, U.S. Pacific Command, U.S. Strategic command and the Joint Force Headquarters-State with connectivity to and through state net-

works to an incident site. The system environment includes information technology support to the National Guard Bureau Joint Operations Center, a Joint Force Headquarters-State communications element, network-centric connectivity state-to-state, vertical connectivity to incident sites (to include mobile wireless capability) and both radio and satellite systems to provide a National Guard Homeland Security Communications Capability. This approach was used in real world situations during the political conventions and the hurricanes in Florida with outstanding results.

Transforming the Mobilization and Demobilization Process

The Logistics Directorate of the National Guard Bureau is charged with the responsibility for monitoring the mobilization process of National Guard units. Transformation of these processes is essential to maintain a strong, reliable National Guard and to support the combatant commanders during wartime.

Mobilization of the National Guard is continuing at historic proportions. Not since World War II have the numbers of reservists who have been called to active duty been as high as they are today. Currently, more than 40 percent of the Soldiers, Sailors, Airmen and Marines participating in Operation Enduring Freedom and Operation Iraqi Freedom are Reservists. The Guard alone has mobilized over 100,000 Soldiers and Airmen since the attack on the United States on September 11, 2001.

Transformation and reform of the mobilization and demobilization process go hand-in-hand for the National Guard. In 2003, the United States Joint Forces Command was tasked to transform the mobilization and demobilization processes. The National Guard Logistics Directorate worked with the command and the other services and components to report recommendations to the Chairman of the Joint Chiefs of Staff in the fall of 2004. Many of those recommendations have been instituted by the services, either as a result of that report or as self-initiated better business practices.

Greater time efficiency is achieved by improving the mobilization process. Several of the recommendations focused on the readiness of Reserve units prior to their mobilization date. Implementing those recommendations resulted in a reduction in the length of time a unit or Guardsman spends at a mobilization station.

The mobilization and deployment processes at the onset of the Global War on Terrorism were designed for the Cold War era. Today, there is a more immediate and urgent demand for the National Guard. We must transform the process to be more efficient and effective in putting more "boots on the ground" . . . Protecting America at Home and Abroad!

STATE ADJUTANTS GENERAL

Major General (Ret) Crayton M. Bowen, The Adjutant General, Alabama.
Major General (AK) Craig E. Campbell, The Adjutant General, Alaska.
Major General David P. Rataczak, The Adjutant General, Arizona.
Major General Don C. Morrow, The Adjutant General, Arkansas.
Major General Thomas W. Eres, The Adjutant General, California.
Major General Mason C. Whitney, The Adjutant General, Colorado.
Major General William A. Cugno, The Adjutant General, Connecticut.
Major General Francis D. Vavala, The Adjutant General, Delaware.
Major General (DC) David F. Wherley, Jr., The Adjutant General, DC.
Major General Douglas Burnett, The Adjutant General, Florida.
Major General David B. Poythress, The Adjutant General, Georgia.
Colonel Jerry M. Rivera, The Adjutant General, Guam.
Major General Robert G. F. Lee, The Adjutant General, Hawaii.
Major General (ID) Lawrence F. Lafrenz, The Adjutant General, Idaho.
Brigadier General (IL) Randal E. Thomas, The Adjutant General, Illinois.
Major General R. Martin Umbarger, The Adjutant General, Indiana.
Major General G. Ron Dardis, The Adjutant General, Iowa.
Major General (KS) Tod M. Bunting, The Adjutant General, Kansas.
Major General (KY) Donald C. Storm, The Adjutant General, Kentucky.
Major General Bennett C. Landreneau, The Adjutant General, Louisiana.
Brigadier General (ME) John W. Libby, The Adjutant General, Maine.
Major General Bruce F. Tuxill, The Adjutant General, Maryland.
Major General (Ret) George W. Keefe, The Adjutant General, Massachusetts.
Major General Thomas G. Cutler, The Adjutant General, Michigan.
Major General Larry W. Shellito, The Adjutant General, Minnesota.
Major General Harold A. Cross, The Adjutant General, Mississippi.
Brigadier General (MO) King E. Sidwell, The Adjutant General, Missouri.
Major General (MT) Randall D. Mosley, The Adjutant General, Montana.
Major General Roger P. Lempke, The Adjutant General, Nebraska.
Major General Giles E. Vanderhoof, The Adjutant General, Nevada.

Brigadier General Kenneth R. Clark, The Adjutant General, New Hampshire.
Major General (NJ) Glenn K. Rieth, The Adjutant General, New Jersey.
Brigadier General (NM) Kenny C. Montoya, The Adjutant General, New Mexico.
Major General Thomas P. Maguire, Jr., The Adjutant General, New York.
Major General William E. Ingram, Jr., The Adjutant General, North Carolina.
Major General Michael J. Haugen, The Adjutant General, North Dakota.
Major General (OH) Gregory L. Wayt, The Adjutant General, Ohio.
Major General (OK) Harry M. Wyatt, The Adjutant General, Oklahoma.
Brigadier General Raymond C. Byrne, Jr., The Acting Adjutant General, Oregon.
Major General (PA) Jessica L. Wright, The Adjutant General, Pennsylvania.
Brigadier General (PR) Francisco A. Marquez, The Adjutant General, Puerto Rico.
Major General Reginald A. Centracchio, The Adjutant General, Rhode Island.
Major General (Ret) Stanhope S. Spears, The Adjutant General, South Carolina.
Major General Michael A. Gorman, The Adjutant General, South Dakota.
Major General Gus L. Hargett, Jr., The Adjutant General, Tennessee.
Major General Wayne D. Marty, The Adjutant General, Texas.
Major General Brian L. Tarbet, The Adjutant General, Utah.
Major General Martha T. Rainville, The Adjutant General, Vermont.
Major General Claude A. Williams, The Adjutant General, Virginia.
Brigadier General (VI) Eddy L. Charles, The Adjutant General, Virgin Islands.
Major General Timothy J. Lowenberg, The Adjutant General, Washington.
Major General Allen E. Tackett, The Adjutant General, West Virginia.
Major General Albert H. Wilkening, The Adjutant General, Wisconsin.
Major General (WY) Edward L. Wright, The Adjutant General, Wyoming.

Senator STEVENS. General Schultz.

STATEMENT OF LIEUTENANT GENERAL ROGER C. SCHULTZ, DIRECTOR, ARMY NATIONAL GUARD, UNITED STATES ARMY

General SCHULTZ. Thank you, Mr. Chairman. Mr. Chairman, thanks for recognizing the soldiers here with us today and Michelle Nelson, our family volunteer. This team and those they represent have answered every call, been up to every task. To this subcommittee and your colleagues, you have made what we do possible and we say thanks.

Mr. Chairman, for us in the Army National Guard, we have $618 million being considered in the supplemental and I am here to tell you we need that money in both the operations and the personnel accounts. Without favorable consideration, we will not be able to make it through the May timeframe within our current budgets. Mr. Chairman, that same condition would not be found inside the active component budgets today, and anything that you can do to help encourage the process through the supplemental reviews would be most important for the Army.

Mr. Chairman, I stand by for your questions.

Senator STEVENS. General James.

STATEMENT OF LIEUTENANT GENERAL DANIEL JAMES, III, DIRECTOR, AIR NATIONAL GUARD, UNITED STATES AIR FORCE

General JAMES. Thank you, Mr. Chairman and members of the subcommittee. It is always a pleasure to come here and speak before this subcommittee because of the support that you have provided to our National Guard and Reserve components. Without your support and help, we would not have the readiness levels and the quality of life that we enjoy today as the 21st century Minutemen and women.

Also, thank you for your recognition of these fine soldiers and family members that are here today. They all serve in their own capacity and we could not do our job without them.

AIR SOVEREIGNTY ALERT

As we sit here today, I reflect on the members of this subcommittee and every face that I see has a member, on this subcommittee, has an organization that is now engaged in the war on terrorism, whether it be on air sovereignty alert, where the Happy Hooligans and the Green Mountain Boys and the Tacos from New Mexico are sitting alert today and the Warriors from the F–15 squadron in Hawaii are also sitting alert.

We truly guard America's skies and we are very proud and capable of doing that. We want to continue to do that because we bring great value to our Nation.

AIR NATIONAL GUARD FLYING MISSIONS

The C–130J is being introduced for the 175th there in Maryland. The C–17, the premier airlifter in Air Mobility Command and U.S. Transportation Command, from the 172nd in Jackson, Mississippi, is engaged in their conversion and will soon be mission ready, but they are already still flying missions in theater as part of their training. Of course, we will have involvement in the C–17 in Hawaii in a unique arrangement with the active component as well, and possibly in the future in Alaska. So this diverse missioning that is represented by the members that are here today does not go unnoticed.

The men and women of the Air National Guard have had another very exceptional year. We have been engaged both in theater and around the world in different exercises, but most importantly in the war, in the global war on terrorism. We believe, as the Chief mentioned, that our primary mission is in homeland defense, but one of the things that allows us to do that mission is that we are trained for a Federal mission. Homeland defense in depth is our primary mission and we also want to make sure that we have the capabilities that our Governors need when called upon, whether it be for a natural disaster or a man-made emergency.

We will continue to perform both the homeland defense mission and the expeditionary missions as our organization transforms to meet our future requirements.

I thank you again for your support and I look forward to entertaining your questions.

Senator STEVENS. Thank you very much.

We will have a 5-minute rule now and we will recognize members in the order in which they came to the subcommittee's table, with the exception of the chairman. Mr. Chairman.

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

I am happy to hear the report about the combat brigade. We are really proud in Mississippi that the 155th Combat Brigade is on duty and discharging their responsibilities in a professional way, with a lot of courage and skill. We appreciate their service. I remember that we had that similar brigade mobilized 10 years ago in Desert Shield/Desert Storm. They did not quite make it to the theater that time. They ended up in the training center when the war was over. But they went through training in Fort Hood and were ready to go if needed as a round-out brigade of the First Cav-

alry at that time. So we are very proud of our soldiers and all of them have acquitted themselves honorably, I am advised.

General James, you mentioned the aircraft, the C–17 in Jackson, Mississippi. We were very proud to be selected as a port, as a facility, as an airfield for those planes. Do you see this continuing to be part of a plan of the Air National Guard forces? You mentioned Hawaii. Are there plans to also deploy those C–17's elsewhere in the country at National Guard facilities?

BASE REALIGNMENT AND CLOSURE (BRAC) AND FUTURE TOTAL FORCE

General JAMES. We cannot say exactly where they will be deployed. With the impact of BRAC and future total force, we will make an adjustment where we can. Right now, with the buy as set at 180, we do not have any other aircraft that are being designated to go to National Guard units in the country.

That is why we have used the different type of structures. We have an associate type unit in Hawaii, where we have active duties and National Guard members flying the aircraft in Hawaii, as opposed to what we call a unit-equipped unit in Jackson. I look forward to a day when we will have community basing and where we will have active duty members coming to Jackson, living in the community, and flying there. That would impact the connection to the community in the very positive way that General Blum mentioned earlier.

Also, I believe—and my colleague Lieutenant General John Bradley will probably talk about this—there is an associate Active and Reserve associate C–17 unit that will be operating in Alaska. But if the buy goes past 150, then we will have additional assets to look at stationing in other places in the United States, continental United States or overseas.

Senator COCHRAN. General Blum, you mentioned the incentives that you are suggesting that we consider providing funding to support for reenlistments and streamlining the process from active duty to Reserve units or National Guard units. Do you have any cost estimates of what the impact will be on the budget, if any, for these initiatives that you are suggesting?

General BLUM. Yes, Senator. What we have done is we have consulted with all of the 54 adjutants general (TAGs) that are responsible to recruit and retain citizen soldiers and airmen in their States and territories. We have distilled this down into the top 10 initiatives that we think that we will require some additional authorities or policies adjustment to be able to do that.

Then what we did is our best estimate of what those policies or authorities might mean in terms of dollars amount or in terms of authorizations that would have to be associated with them. We have provided that to this subcommittee. I am comfortable with 8 out of 10 of these. Two of them are shown as—essentially, you could read this as cost-neutral, but I do not think they really are. I would, rather than put "not available" (NA) on this chart, I would rather put "unknown." There is some associated cost to it, but I am not prepared to tell you what that is today. I would have to take that for the record and do a little bit of homework for those two.

But the rest—but the authorities are exactly what the adjutants general have advised the three of us as the tools they will need to

be able to achieve end strength in Mississippi and Hawaii and Maryland and every other State and territory in the country.

Senator COCHRAN. General Schultz, there was some question 10 years ago. I mentioned the experience of the 155th being mobilized. There was concern about the physical conditioning of the troops and whether or not they were ready for combat situations. I am told that that is not a problem now, that this is a situation with recent experience that the physical condition and the physical readiness of the troops were such that no delay was needed, and that is one reason we were able to see troops transferred directly to the theater where they were needed to take part in active combat operations.

Is that a correct assumption that I am making?

General SCHULTZ. Mr. Chairman, that is a correct assumption. Average age of the Army National Guard soldiers on active duty today is 31 years, so perhaps slightly older than an Active component peer. But we track statistics all the time in terms of medical condition, reasons soldiers leave the theater, and the issue of fitness is not a question.

Senator COCHRAN. Thank you, Mr. Chairman.

Senator STEVENS. Thank you.

Senator Inouye.

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

General Blum, the State of Hawaii as a territory and as a State has always stood high in sending their sons and daughters to serve when called upon. I notice from your chart here that the State of Hawaii has 51 percent of the Guard committed and mobilized, to a low of 5 percent for some other States. What is the policy that brings about this divergence of percentages?

General BLUM. That is an excellent question, Senator Inouye. The contribution Hawaii made in this particular case was a decision made by the adjutant general and the Governor in consultation with the National Guard Bureau and the Department of the Army as to how much of the 29th Brigade Combat Team we wanted to take out of Hawaii and how much was going to actually remain in State. There was some flexibility offered to the State. Governor Lingall and General Lee felt that we could take the entire brigade, as we did. In fact, they almost insisted on it, and they felt comfortable that we had leveraged enough Air National Guard and Army National Guard units remaining in Hawaii to provide them 49, just about 50 percent, about one-half of the capabilities, which is what we promised the Governor we would do.

In addition, because of Hawaii's unique location and who lives there in terms of Department of Defense equities that are there, they have a fairly robust Navy and Air Force and Coast Guard contribution that is also, because the joint force headquarters exists in Hawaii, they are able to leverage those capabilities as well. So Governor Lingall is quite comfortable that if anything were to happen in Hawaii she has the Civil Support Team, she has one of these CERFP packages, this enhanced response, weapons of mass destruction (WMD) force packages. One of those is existing in Hawaii today. It is there now. She has and General Lee has over just one-half of their joint capabilities between the Army and the Air National Guard.

You notice that Hawaii is the lowest, the lowest percentage of capability that we left in the States. All of the other States—red is good on this chart, by the way, for those of you that are not used to looking at a chart with red on it and seeing it as good. The larger the piece of the pie that is red, the better it is for the Governor. That means the more capabilities that are still home and available to them.

You can see that all of those pie charts, almost three-quarters of the pie is still there, even though we have such a large number of troops deployed. That is done in conjunction and collaboration with General Schultz with the Army Guard, General James of the Air Guard. And frankly, the United States Army, General Schoomaker and United States Air Force, General Jumper, have worked very closely with us to make sure we had the flexibility to not pull too much capability out of any State and leave any State or Governor uncovered such if a natural disaster or terrorist attack should occur in their State.

Sir, does that address your concern?

Senator INOUYE. In other words, General, are you telling me that if the Governor had resisted or requested a smaller force to be mobilized Hawaii would have had a smaller force?

General BLUM. Yes, sir, they would have. We would have left another battalion in Hawaii and we would have taken another battalion from another State that has a much larger piece of the pie, so to speak, left in State. I think that is the right way to defend America, frankly, and I think also modularity, the Army modular force, will even give us greater flexibility in the future as we move to that, because we will be able to plug and play pieces and elements, where in the past we would have to pull a big unit out of one State and leave that State with no capability to respond here at home.

Senator INOUYE. So in a State that has 5 percent mobilized, I would assume that the Governor did not want the troops to be sent out?

General BLUM. No, that is not the case, sir. I do not want to mislead anybody. A State that only has 5 percent mobilized right now on a chart 6 months or 1 year ago may have had 40 or 30 or 20 percent of that State gone. It just means that we have probably used those soldiers already and now it is someone else's opportunity to serve.

Senator INOUYE. General Schultz—thank you very much, General Blum.

General BLUM. Thank you, sir.

Senator INOUYE [continuing]. I note that the Guard is having problems with recruiting and retention. Can you tell us about it?

General SCHULTZ. Yes. Senator, we have today reached 97 percent of our end strength objectives for the year. Now, as a data point that sounds okay, but what we are really in need of today is recruiting performance, more enlistments. Today both in the prior service and the non-prior service marks we are off our objectives by some measure.

General Blum has already outlined March was a 5,200 plus enlistment month. We expect April to be another 5,000 plus enlistment month.

Mr. Chairman, as we talk about recruiting I would just outline that incentives make a difference. For example, in the area of retention we have, by comparison with last year's reenlistment rates, three times the number of soldiers reenlisting than we did just 1 year ago. So a 3 to 1 ratio in terms of an incentive that this committee helped clear last year from the Congress. So those items in terms of incentives are making a difference.

Our challenge is in recruiting and that is the target that we have had at the recruiters and no doubt given more focus out in the States.

Senator INOUYE. Thank you, sir.

Senator STEVENS. General Blum, following up on that enlistment bonus, I am told we have bonuses that range from $1,000 for a 2-year enlistment to $20,000 for a 6-year enlistment and that you have been reviewing those. We have in the bill already before us a $10,000 increase for enlistment from the Air Force to the Army—from active duty into the Guard or Reserve.

Now, what you just said is going to mean I am going to face an amendment on the floor pretty clearly. Why can you not use the money we have got now? You have authority to go up to $20,000 if you want to do it. Why do you ask now for a change? In effect, you are asking for a change in our bill today; you know that, General?

General BLUM. Well, that would be the second order effect, yes, Mr. Chairman, I understand that. But if we have the clear authority to go beyond the $10,000—here is my concern——

Senator STEVENS. You do have that authority up to $20,000 in special circumstances.

General BLUM. Then we would have no issue. If I have that authority, then we can make the programmatic change.

Senator STEVENS. Am I correctly informed? It is based on critical skills to go above the $10,000.

General BLUM. Well, if we have that authority and we have the authority to determine what the critical skills are and what the needs are, then I have adequate authority and we can reprogram the money we have.

Senator STEVENS. Senator Inouye and I are reluctant to see a start of amendments to this bill of ours at the last minute. So I would hope that we will try to take it into conference the way it is, and you let us know if you do not have the authority you need. I am sure in conference both House and Senate will respond to your needs, but I just do not want to have a flood of amendments here at the last minute trying to add to this bill.

General BLUM. I appreciate that, Mr. Chairman. I think, based on what you just outlined to me, we have adequate authorities to move forward with this and I appreciate, frankly, the significant change in the bonus offering because I think it will have a dramatic effect.

Senator STEVENS. That is our intent, to work with you. I do think recruitment is absolutely essential, that we pay a great deal of attention right now. There is no question a substantial number of reenlistments are necessary to maintain the force we have.

General Schultz, we provided $95 million for the Guard and Reserve equipment in the 2005 bill. General Schultz—General James,

we had the same amount for the Air National Guard. Are those going to fulfil your requirements?

General SCHULTZ. Mr. Chairman, they have filled critical needs for us. Most of the items, much of the equipment we bought with that amount of appropriations, you will find in Iraq and Kuwait and Afghanistan today. We bought critical items of need for our units deploying and of course we deploy units at the highest level of readiness: machine guns, night vision devices, trucks. We bought all kinds of things that our units were short prior to their deployment into the combat theater. So we have applied those units to our readiness-related requirements.

But we do still have a shortage, but our priority across the Guard is to get units ready for their combat tours, and we are able to do that by cross-leveling some of the items that this community has provided for us.

Senator STEVENS. General James, the same question to you about the $95 million that we provided you.

General JAMES. Well, first of all thank you for that. That account is one of the ways that we are able to fund some programs that do not make the cut with the program objective memorandum (POM) at the Air Force level. The Senate has been very generous in doing that.

We do feel we still do have some requirements that we would like funded. However, we have prioritized that, filled the critical ones that we have. It has given us the opportunity to do some things that we need to do, but there are still some issues that need funding. One of them is the large aircraft infrared countermeasures systems, the LAIRCM modification. I have a list of how the moneys are being spent that I can give the staff and I can highlight some of the areas that you can give us some additional help if it is there.

Senator STEVENS. Well, as you indicated, I just finished visiting the 172nd at Fort Wainwright and Fort Richardson in my State and they are in transition now to go over with their new equipment. The items you mentioned, are they available for units such as that?

General JAMES. The C–130 has a high priority in getting an updated large aircraft infrared system.

Senator STEVENS. Thank you very much.

Senator Dorgan.

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

General Blum, I wrote down one of your statements and I think I am probably quoting you correctly. Correct me if I am wrong. You said you were not certain that the Air Staff understands the value and benefit of a community-based Air National Guard.

That set off a lot of alarm bells and sort of reconfirmed a fear I have. I appreciate your candor. It is helpful to us. I hope it is not hurtful to you. But let me ask about that. We are going into a BRAC round where there will be decisions made that can have a profound impact on the Air Guard. Can you amplify on this statement that you are not certain the Air Staff understands the value and benefit of community-based——

General BLUM. Yes, Senator. And it is not only the Air Staff. There is nothing evil in this. It is sort of like high frequency hearing loss.

Senator DORGAN. That is even more candor, General.

Senator STEVENS. We can all tell you something about that.

COMMUNITY-BASED CITIZEN SOLDIER AND AIRMEN FORCE

General BLUM. The Active component I do not think has an intrinsic appreciation for the fact that when you call out the Guard you call out America. That is very, very powerful for this Nation. The reason that when you call out the Guard you call out America is that you are calling up every home town, as you can see from the charts that we have been showing and as you can tell from your constituents. They feel the people that are at war in this Nation really are those that are serving and the families and employers of those people. When you are talking about families and employers you are only usually talking about the Reserve component, and the Guard has an extremely high number of this contribution.

I do not want to lose the goodness of a community-based citizen soldier and airman force. I am afraid that some well-intended people who put their programmatics together or their analytics together for the future force did not factor in the fact that if you do not have a community base you probably do not have a community-based force, and pretty soon you do not have the capability that we have come to expect and call upon in this Nation for the last at least 32 years. The next time we need it, we will not be able to regenerate it or reestablish it.

So if it puts some alarm bells off, that is good. I think it should and I think it should be a tough question that defense planners and senior military people like myself should have to be able to answer as we talk about how we are going to defend the Nation in the future and how we are going to shape the Army and the Navy and the Air Force of the future.

Senator DORGAN. General, I share those concerns and I think every State has an Air Guard. Some have more than one Air Guard unit. There is a lot of concern about where we might be after BRAC. Especially if homeland security is a priority, when you take a look at what is implied with respect to the retiring of the number of airplanes in the Air Guard, you wonder how that can square with the top priority being homeland security.

I would like to mention, General James, I spent Monday with the Happy Hooligans, which is the Air Guard unit in Fargo. You are well familiar with them. They have had more accident-free hours in F–16s than anyone else in the entire world. They are the only Air Guard unit that has ever won the William Tell Trophy three times. This is an Air Guard unit which flies in the worldwide meet to test pilots and crews against the best of our Air Force and the best in the world. They are the only Air Guard unit that has won it three times, the only F–16 unit that has won the Hughes Award.

In fact, they are flying fighter cover over our Nation's Capital, as you know, out of Langley. But the best pilots in the world happen to fly the oldest iron, the oldest F–16s, which are set to retire in 2007. Then we see coming from the Pentagon discussions about the number of F–16s and the older planes that will be retired, a dramatic percentage. In my judgment that seems at odds with the top priority of homeland security.

I wonder if you could tell me your impression of that and perhaps also General Blum.

AIR NATIONAL GUARD AIRCRAFT

General JAMES. Well, Senator, you are right. The Air Force has a difficult decision to make. They have to program for the new aircraft that are coming, and we know that there will be dramatically fewer aircraft, i.e., the F/A–22 and the Joint Strike Fighter, the F–35 as it has been designated. Because there will be fewer, we still will have the capability because these aircraft are more capable.

Our problem becomes one in the National Guard, in the Air National Guard, that the F–16s that we have are more what they call the legacy airplanes. The Block 15s that you have and that we have in Tucson, in the unit in Tucson, the foreign training unit, are the oldest, and then the Block 25s and the Block 30s. Right now the Block 25s and some of the Block 30s are slated to go out of the inventory.

I would propose that we look very closely at this after BRAC comes out and work very closely with the adjutants general and with the programmer for the Air Force, Lieutenant General Wood, to make sure that we do this in such a manner that if we do not have aircraft to replace those aircraft that come out, that we do have new missions to replace those aircraft that come out. Otherwise, we could get in a situation where I call it the units would be uncovered, in other words they would not have a Federal mission.

In my mind that really sets off bells, because the Air Force has told us that they are going to sustain our current level of manpower, however I am not sure that folks in other parts of the Pentagon will see that as sustainable in fact if we have units uncovered. So we are going to work very hard to get missions to those units that lose aircraft.

Senator DORGAN. Could either of you just address that question of the top priority being homeland security with a substantial——

Senator STEVENS. Your time has expired.

Senator DORGAN. All right, Mr. Chairman.

Senator STEVENS. Senator Mikulski.

Senator MIKULSKI. Thank you, Mr. Chairman, and to the Generals and to the men and women that you represent at this table.

I would like to come back to the issues related to recruitment and retention and to focus on retention, because I think that has been a troubling aspect. General Blum, when you talked about those bonuses and that they have been effective, are those bonuses tax free?

General BLUM. Senator Mikulski, they are tax free if you take advantage of them in the combat zone. For instance, I watched 256 soldiers from Louisiana reenlist in theater, which is quite remarkable in itself. They were from the 256th Brigade Combat Team. They reenlisted en masse. Each one of them would have had a tax-free reenlistment. All 15,000 would have been.

Senator MIKULSKI. But for anyone else reenlisting—it is only tax free in a combat zone, is that correct?

General BLUM. That is correct. Sorry. That is correct.

Senator MIKULSKI. And we understand why. I mean, they are literally in the line of fire and it is a way of thanking them for being willing to re-sign up.

Is this an issue also, for those who are not in the combat zone? Would a tax free status be helpful in terms of retention or a way that does not exacerbate tensions with those that are literally in the line of fire? This is a tricky question. It is not meant to be a trick question. But it is delicate or possibly prickly.

General BLUM. A simple candid answer is that incentives work. So the more of it that you get to keep, the more of an incentive it is.

Senator MIKULSKI. The more cash they end up with.

General BLUM. Of course, yes.

Senator MIKULSKI. I understand.

Now, when we look at retention, we also know that there has been, as you said in your own testimony, the inequities at times with active duty. Again, we do not want to exacerbate problems between active duty and Guard and Reserve, but what is one of the most significant drawbacks that the troops have told you about retention? Is it the operations tempo (OPSTEMPO)? Is it the fact that they are called up so frequently? Is it the fact that there is such a big pay gap that their family is enormously suffering because of this?

What are the retention flashpoints?

General BLUM. There are two that come to mind. And General Schultz, if I fail to cover them, you jump in on this. There are two that come to mind.

The first one, which you would least expect, is that soldiers have told me they will redeploy to the combat zone again, but they will not go through the mobilization process again, they would get out first. So that tells me we need to really look at the mobilization process hard and make sure that it is not as painful as it appears to be, is perceived to be by those who have to live it and go through it, not the ones that conduct it, the ones who actually have to suffer through that process.

Then the other item is that about one-third of our soldiers suffer financial losses to the point that it is almost untenable for them.

Senator MIKULSKI. What would be the recommendation on that? We have heard horror stories in Maryland. I worked hands-on with you when your duty assignment was Maryland, with General Tuxell, our Air Force guy, now head of our Maryland National Guard. What are these issues?

We, Senator Durbin and I, have talked about the Federal Government making up the pay gap. What would be some of the concrete steps that we could take to deal with this financial hardship that families are facing, not for a few months, but now for multi-years? I talked to one marine who has come back and he has lost $20,000 a year for 3 years. That is $60,000. That could have put his son or daughter through the University of Maryland for 4 years.

General BLUM. Senator, there are three elements to having a sound and functional Army and Air Guard. One is the citizen soldier. We have to get the right people, the right incentives to be able to compete in a level playing field for a recruited force. That is

what we are talking. They are all volunteers, but they are recruited.

The second is we have got to make sure the families do not suffer too extremely while they are deployed——

Senator MIKULSKI. Right, and how do you want to do that? What are your recommendations?

General BLUM. Then the third is the employer. I think that we probably need to look at some way to ensure that families are not financially ruined for answering the call.

Senator MIKULSKI. What are your recommendations and what does the top civilian leadership at the Pentagon say?

General BLUM. Well, I will tell you what. I will take that for the record and I will provide you some ideas that we have come up with. But it really would be for this body and Congress to decide what they would like to legislate. The tax relief——

[The information follows:]

The top three recommendations for Personnel Benefits provided below will assist the National Guard in meeting their recruiting and retention goals.

First, BAH II should be eliminated or the threshold should be reduced for paying BAH II in lieu of BAH. BAH II is the housing allowance that is presently authorized for reservists serving on active duty for fewer than 140 days. The net averages of the difference between BAH II and BAH have been approximately $300 per member per month. This has a direct impact on bottom line take home pay. Active duty and reserve component members serving side-by-side should be compensated at the same rate. Therefore, BAH II should either be eliminated completely or at least the threshold for paying BAH II should be reduced from the current 140 days threshold.

Second, we want to have the authority and funding to pay the $15,000 affiliation bonus which would allow us to transition someone directly from active duty into the National Guard. In the Supplemental which was passed in May 2005, we received the authority to pay a $10,000 affiliation bonus, however this authority will expire on September 30, 2005 unless a new authority is passed. The reason we need this affiliation bonus at the $15,000 mark is because Prior Service members without a Military Service Obligation (MSO) are eligible for a Prior Service enlistment bonus of $15,000. This means there is a built in incentive for a Prior Service member with the MSO to wait for the MSO to expire and then enlist without the MSO to receive the $15,000 bonus. Therefore, if we are able to offer the $15,000 affiliation bonus, it would help us recover these members who are already trained from their active service.

Third, as you know the National Guard is comprised of both the Army National Guard and the Air National Guard and, in this case, we have slightly different requirements which could meet their needs. For the Army National Guard, we would like to expand the parameters of offering the tax-free reenlistment bonus to include all members who deploy for one year, even if the actual reenlistment doesn't occur while they are in the combat zone. We believe all our members who deploy for one year should be eligible for this tax-free benefit without penalizing those members who will deploy, however, not have their reenlistment occur during the actual deployment. Air National Guard members are deployed for shorter periods of time and few would be eligible for the tax-free reenlistment bonus. Since a much larger number of Air National Guard members will be substantially impacted from BRAC, we want an increase in the retraining bonus from the current $2,000 to $10,000. By using this $10,000 retraining bonus, we could entice members to stay and retrain and therefore save money we would otherwise have to spend on recruiting. We believe this increased retraining bonus will serve us well in retaining our Air National Guard members during the difficult BRAC transition period.

Senator MIKULSKI. But I would like to know the top three.

General BLUM. I would think that employers would benefit greatly. They are full partners in the defense of this Nation. They would benefit from some form of tax relief for being able to make up the differential for the employee's salary.

Senator MIKULSKI. General, I would welcome those ideas.

My time has expired, but we are all Team USA here and we need to make sure we not only recruit, but retention is another form of recruitment——

General BLUM. Absolutely.

Senator MIKULSKI [continuing]. To keep the best and, as you said, these wonderful men and women are coming back with exceptional capabilities. They are going to serve Maryland, they are going to serve the Nation. We have got to really show that we are on their side and on the side of the families.

So thank you, Mr. Chairman.

Senator STEVENS. Thank you very much, Senator.

Senator Leahy.

Senator LEAHY. Thanks, Mr. Chairman.

I would like to follow up on this question that there are sometimes inequities with the National Guard and Reserve at a time when, as you know, we go into active areas and you really cannot tell who is Guard and who is Active military. For example, when a member of the National Guard or Reserve is called to active duty for a period of less than 140 days, that citizen soldier, airman, or marine receives a lower BAH II, basic allowance for housing. Actually that can be as much as $300 per month less than he or she would receive on regular active duty.

Now, I raise this because last year Congress enacted a piece of legislation sponsored by me and Senator Bond as the Guard Caucus co-chairs. It authorized greater use of the Guard for national homeland security missions.

A number of soldiers from the Vermont National Guard were called up to help increase security along the northern border, where we have far less people deployed than our southern border. They worked side by side with their active duty counterparts, but they received $300 per month less in housing allowance. They are doing exactly the same thing.

I think it is unfair. I want you to take a look at BAH II. Is there any justification for keeping this lower tier of housing allowance in place?

General BLUM. No, sir. The way we look at it is as a general rule when you are called to active duty you should get all the rights and benefits and entitlements as anybody else that is serving right alongside of you in the same status, performing the same duty. I will go back and look at that. If there is something that we can do, we will do it. If not, if we need some assistance with legislation, we will come back to you, sir.

Senator LEAHY. Please let us know because I am actually looking forward to introducing some legislation on this. I want to make sure it is bipartisan legislation. So whatever you can give us for information will be very helpful.

General James, Senator Dorgan was talking about the future total force initiative you and I have talked about this because of the talk of significant cuts in the Guard's aircraft force structure. At the same time, we are starting city basing. It is going to begin imminently with the Vermont Air National Guard in Burlington, Vermont. Active duty pilots and maintainers are going to come to Guard bases. I think it creates a synergy where the total may be greater than the sum of the parts.

Can this basing arrangement be a model for the whole Air Force? Because if it would be, does that bring about an argument against making significant cuts in the Air National Guard's force structure?

General JAMES. Senator, the answer to that is yes, it could be. Community basing, as we call it now, is, as the Chief pointed out, a way of balancing the needs of the Air Force in terms of their skill levels. We have very experienced people. Sixty-two percent of our maintainers are seven skill levels, seven or higher, whereas the majority of theirs are three level skills.

So it takes the best of the Guard and helps balance some of the needs of the Air Force. Now, the debate comes down to can the active duty folks who go there have the same quality of life. I say yes, they can. If you select Jackson, Mississippi, and have community basing there with active duty crews coming to Jackson, I think they can have the same quality of life there. There are some other places where there are even bases, like Kirtland in New Mexico, where you could have active duty folks there and supported by the base and flying with the New Mexico Air National Guard.

So I think the community basing, city basing concept is an excellent way of balancing the force, giving the personnel system options to station people throughout the United States, and when they rotate back from an overseas deployment or an Air Expeditionary Force (AEF) involvement they have more options as to what assignment, where they can be assigned. I think it will be—I think it could turn into a win-win force.

Now, those folks—there are people who say, no, we cannot do that, it is not appropriate to do that, they will not have the quality of life and we cannot afford it. I think we should look into it. I do not think this should be just a random test case that falls off the table. I fully support the concept of community basing and community involvement of the National Guard and the active duty.

Senator LEAHY. Thank you.

Senator STEVENS. Senator Durbin.

Senator DURBIN. Thank you, Mr. Chairman.

General Blum, you were spelling out the three elements that you thought were important and I want to make sure I heard the third one, which I do not believe you had a chance to say a word on: the citizen soldier, the family support, and then you said employer; did you not?

General BLUM. Yes, sir.

Senator DURBIN. Could you just say a word or two about that?

General BLUM. Well, I talk about a three-legged stool, the seat being the National Guard, the Army and Air Guard, but the legs that hold that stool up are these three elements: the soldiers themselves, the uniformed member; their families, because you may enlist soldiers, but you retain the families. And frankly, you are not going to have either one if the employer does not stay a willing partner. So just like a three-legged stool, if you pull one leg away the stool is very unstable and will fail. That is why I think we need to pay particular attention to the employers and the employer-employee relationship, the family member relationship, as well as the citizen soldier-airman relationship.

Senator DURBIN. Thank you.

If I am not mistaken, we maintain a program and a web site, the Employer Support of Guard and Reserve, ESGR, and we acknowledge companies and employers that make up the differential in pay for Guard and Reserve. Is this a positive element when it comes to recruitment and retention of members of the Guard and Reserve?

General BLUM. Of course, sir, of course it is. Any time someone—there is enough angst with changing from a civilian to a soldier to go in a combat zone or go have separation from your family, your loved ones, and your employer, to have added to that the concern that you are not going to have your job when you get back or you are not going to have employment when you get back or you are going to suffer financial ruin while you are gone I think was not intended by anyone and probably we should address that wherever we can.

Senator DURBIN. So the survey, when they ask for the reasons that Guard and reservists do not re-up and are not retained, said that family burden was number one, 95 percent. Too many activations and deployments, 91 percent. Deployments too long, 90 percent. Income loss, 78 percent. Conflict with civilian job, 77 percent. So that really kind of tells the story as to the retention challenge that we have.

Now, some members seem to believe that there is a resentment among the active military when a Guard or Reserve member is receiving this pay differential, meaning that that Guard or reservist may be actually getting more money each month than the active soldier. Have you heard of this?

General BLUM. I do not actually think that that exists, frankly, Senator. There are no two soldiers that ever existed or ever will exist that had exactly identical income. I mean, you know that some soldiers get chocolate chip cookies from their mom, they get their family sends them extra money. That does not mean there is angst in the ranks over that.

It is very, very rare that two soldiers sharing a foxhole are going to talk about their income tax returns or how much money they make. They are worried about doing their mission and defending their Nation.

Senator DURBIN. That is the point that Senator Mikulski and I have made in our bill here, because it turns out that 10 percent of the Guard and Reserve happen to be Federal employees and it turns out that the Federal Government is one of the few—I should not say one of the few—is one of the major employers which does not make up the difference in pay. So we have introduced a bill together—this is our third try—to make that—do away with that inequity, to make sure that the Federal Government makes up that pay differential.

But I wanted to address the necessity, number one, and the most common complaint, that active soldiers would resent it, which you have addressed as well. So thank you very much for doing that.

General BLUM. Thank you, sir.

Senator DURBIN. General James, you mentioned an unfunded need for large aircraft infrared countermeasures. Could you tell us a little bit more about that?

LARGE AIRCRAFT INFRARED COUNTERMEASURES

General JAMES. The newer equipment that comes on, the C–17s and so forth, have built-in infrared countermeasure protection. One of our highest priorities is to fund that for our C–5s and our C–17s and even the C–130Js I do not believe have that. That is why it is at the top of our list. We have such a high OPTEMPO there in those airplanes with the two-theater or two locations of the conflict that is going on.

I can give you the exact numbers. I do not know that I have what the shortfall is, but I would be more than happy to furnish that.

Senator DURBIN. Would you please do that, provide some detail for us? I would appreciate that very much.

[The information follows:]

The Air National Guard is currently installing Large Aircraft Infrared Countermeasures (LAIRCM) on Special Mission HC/MC–130s in two of our three Combat Search and Rescue Squadrons. We have also made strides in installing LAIRCM on our combat delivery C–130s. As Air National Guard (ANG) force structure changes, every aircraft we employ and deploy must be as survivable as possible. With this philosophy in mind, the ANG has invested in excess of $42 million of fiscal years 2004 and 2005 National Guard and Reserve Equipment Account funding on LAIRCOM to modernize our Special Mission/Combat Delivery C–130 fleet. We have an overall requirement to equip 152 C/HC/MC/EC–130s with LAIRCM.

Senator DURBIN. Mr. Chairman, I will not use the rest of my time, but I would like to take what is remaining and acknowledge in the audience here Sergeant Tara Niles, who is from the Illinois National Guard, who has been activated, served in Iraq, left two children behind with godparents who were happy to watch them, and she is now back home in Springfield, Illinois, going to school and working at Camp Lincoln. I want to thank her and all of the soldiers here for their service, particularly the Guard and Reserves that I have had a chance to meet and to share some of those experiences with.

Thank you very much, Mr. Chairman.

Senator STEVENS. Thank you very much.

For the information of the subcommittee, there are amendments now pending on the floor that directly impact this subcommittee. Senator Inouye has gone to watch the floor for us. We will continue here into the next panel.

Senator Domenici.

Senator DOMENICI. Mr. Chairman, I am sorry that we have to stay on so long, but some of us have some urgency about our questions.

First, I say to all three of you Generals, I do not believe the active military leaders had ever contemplated that we would place such burdens on the National Guard and Reserves. As a consequence, I believe you are treated as second class generals. And I hate to tell you that, but I do.

For instance, as they talk about in the Pentagon, about the new kind of military we are going to have in the future, you have heard the Secretary of Defense talk about how it is going to be different. I just wonder, maybe you could tell me, General Blum, how much input have they asked of you in terms of how that new force structure, new military, is going to look like under this streamlined, changed military of the future?

General BLUM. Senator Domenici, are we talking about the Army or the Air Force?

Senator DOMENICI. I do not care. You tell me all of them, each one of you.

General BLUM. I do not wait, Senator. I have got a clear record. First of all, I do not consider myself nor my two colleagues second class in any respect.

Senator DOMENICI. Oh, that is all right. I am a Senator; I can say what I want. You can say what you like.

General BLUM. We do not often wait to be asked. We have our opinions and our inputs. They are not always considered—I mean, they are not always accepted, but they are always considered, at least at the highest levels. General Jumper on the Air side and General Moseley and General Schoomaker and General Cody on the Army side, we have their ear. We can get our thoughts in to them when we need to.

The head of the snake, I think, the heads of the two snakes are solid. The problem is that there is a whole lot, there is a whole lot of snake that pig has to go through in the Pentagon before it comes out. So while the head can agree——

Senator DOMENICI. You have got it right.

General BLUM [continuing]. The process can take it many, many different directions, and often does, and we have to stay very vigilant to that to make sure that what the senior leaders agree to and accept ends up happening.

Senator DOMENICI. I want to clarify the record. I was not suggesting that you are second class Generals. You are first class Generals.

General BLUM. I did not take it that way, sir. I just want to make sure you know that they do not treat us as second class. I do not perceive it at all.

Senator DOMENICI. Well, let me tell you. The record seems to me to reflect that they do, and it seems to me that if they ever are going to learn that you cannot have two armies, two air forces, and expect them to be ready to fight the same war on the same trenches and the same skies, then you cannot have different equipment, you cannot have different training, and you cannot treat one as a purely citizen group and another as a ready army.

There has got to be more meshing of the two or you are going to have the problems we all heard about. You all know the problems were there. You had your people going over there, especially the Army, with lesser equipment, lesser protection. And they got over there and then we found out about it. In fact, some of that had to be ascertained by people telling us. Defense did not come up here and tell us. We found out kind of by freedom of the press, to be honest with us, and military people being worried.

I do not want to argue with you.

General BLUM. No, no, sir.

Senator DOMENICI. But you go ahead. If you want to comment on that, fine.

General BLUM. I would tell you that what you said is entirely true until this last, until this last generation of senior leadership in the Army and the Air Force. Quite different than anything I have seen in my entire adult life before that. I would never have

stood before this committee 3 years ago and said anything other than what you just said. But with General Schoomaker's leadership of the Army and Secretary Harvey, they are committed to exactly what you just said happening.

Senator DOMENICI. Are you saying the same thing, General James?

General JAMES. I agree with the Chief on that. I will tell you there is a differential in our staffs unlike you may have in your staffs. Many of our directorates are led by full colonels and their counterpart on the Active component is a one-or two-star general. So they have to be very careful about the way they present National Guard equities and it takes a lot of tact and it takes timing.

So at the highest level there is no question of how they feel and look upon us and how they value us, but when it is time to get down to the details and slug it out for what we are going to really do here with this force or with this budget or with this weapon system, sometimes our people, they are out-horsepowered.

Senator DOMENICI. How about General Schultz?

General SCHULTZ. Senator, the points you raise about equipment inequities were initially existing. We have taken those issues on and, with the support of the senior leadership in the Army, we have addressed those items of concern and made fairly serious progress in the journey here. In some cases Guard units are actually receiving equipment ahead of their active counterparts.

Senator DOMENICI. Look, I have never asked the chairman how he felt about this, so I do not know. I understand it is hard, that there are two different institutions and it is not always that we are going to have the same kind of need to fit as we have right now. But we have had two in a row. One is very different than the other because of time.

General BLUM. I honestly think it will be more important in the future than it is even now, so we have got to get this right.

Senator DOMENICI. I believe that is right. Look, I am talking about the F–16 versus the F–22 and F–35. Right now we already know they have fewer of the new ones ordered. We understand that. But you are not included in that at the offset. You are left out.

My last question—I know I am out of time, but I want to say to all of you I am very worried about the fact that we have post-traumatic injuries to a far greater extent in this war than we had even in the Vietnam war, and they are real. I want you to be sure you look at and urge that there be adequate military—adequate doctor help for those that have that kind of problem.

Thank you, Mr. Chairman.

Senator STEVENS. I would agree with the Senator, but we have to move on because we have another panel.

Senator DOMENICI. Thank you.

Senator STEVENS. Senator Bond.

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

I join with my colleagues in welcoming Generals Blum, Schultz, and James. As the co-chair with Senator Leahy of the National Guard Caucus, I share the concerns that Senator Domenici has just expressed, particularly when the National Guard has 50 percent of the combat force in Iraq and 40 percent of the total force. We know

that the Guard is being called on and we are very much concerned that you are getting short shrift.

Now, progress has been made on the Army side, but let me address something—let me just address this to General Blum. I continue to hear concerns from the TAGs about the future total force strategy of the Air Force. I have two letters. Mr. Chairman, I would like to make these part of the record.

The first one is from Brigadier General Stephen Koper, President of the National Guard Association. In that letter, addressed to Congressmen Hunter and Skelton, he talks about the Air National Guard. But he said, "Our membership is expressing grave concerns about the direction of the future, the future total force (FTF) plan, and its immediate negative impact on Air Guard force structure. Such concerns include," among other things, "the limited role the adjutants general have played in developing the FTF plan and the impact these force structure reductions will have on Air Guard basing in anticipation of BRAC."

Major General Ratacrak, the President of the Adjutants General Association, in his letter to General Jumper said: "As BRAC draws near, I am becoming increasingly convinced that the process has been designed to validate a predetermined view of the futile—future total force as defined strictly by the active Air Force, without the substantive input of the Air National Guard."

I apologize, I had a freudian slip. I said "the futile total force." I meant "the future total force," because there is no substantive input from the National Guard.

[The information follows:]

MARCH 17, 2005.

The Honorable DUNCAN L. HUNTER,
Chairman, House Committee on Armed Services, 2120 Rayburn House Office Building, Washington, DC 20515–6035.

The Honorable IKE SKELTON,
Ranking Minority Member, House Committee on Armed Services, 2120 Rayburn House Office Building, Washington, DC 20515–6035.

DEAR CHAIRMAN HUNTER AND CONGRESSMAN SKELTON: This decade our military forces have faced some of the greatest challenges in our nation's history. By supporting successful missions in Operation Enduring Freedom, Noble Eagle and Operation Iraqi Freedom, while at the same time transforming to face the threats of the future, our Air National Guard has played a critical role in supporting U.S. strategic interests at home and abroad.

Currently, the Department of the Air Force is developing its transformation plan, called Future Total Force (FTF). Over the years, the ANG has proven its willingness to transform and evolve. However, our membership is expressing grave concerns about the direction of the FTF plan and its immediate negative impact on Air Guard force structure. Such concerns include: continuation of the Air Sovereignty missions; funding to transition personnel from current missions to "future missions;" the limited role that The Adjutants General have played in developing the FTF plan; and the impact these force structure reductions will have on Air Guard basing in anticipation of BRAC.

As you and your staff continue holding hearings, NGAUS respectfully requests that the House Armed Services Committee conduct a hearing on Future Total Force. Should any hearing be scheduled, we respectfully request that the National Guard Association of the United States (NGAUS) be invited to testify on behalf of the National Guard and its membership to outline the Guard perspective in relation to FTF. In addition, we offer to coordinate with you and your staff the selection of appropriate Adjutants General that could also offer relevant and critical testimony.

The NGAUS recognizes a need for the Air National Guard to remain a ready, reliable and relevant component of our total air force capability. We also believe it is imperative that any future force modernization discussions that impact the Air Na-

tional Guard involve a cooperative and collaborative interaction with the Adjutants General.

Respectfully,

STEPHEN M. KOPER,
Brigadier General, USAF (ret), President.

ADJUTANTS GENERAL ASSOCIATION OF THE UNITED STATES,
Washington, DC, March 9, 2005.

General JOHN P. JUMPER,
Chief of Staff, United States Air Force, HQ USAF/CC, 1670 Air Force Pentagon, Washington, D.C. 20330–1670.

DEAR GENERAL JUMPER: The Adjutants General of the 54 states see the USAF transformation strategy known as Future Total Force (FTF) having a profound effect on the Air National Guard (ANG). We want to help the Air Force shape a strategy and force structure that uses the ANG to its full potential. Homeland defense is a critical issue for us as we are responsible to our Governors for homeland security matters.

Adjutant General involvement with the FTF initiative only began recently with three Adjutants General being invited to participate on the AF/XP sponsored General Officer Steering Committee (GOSC). Lieutenant General Steve Wood has actively engaged us since coming on board late last year. His focus on open exchange of information is refreshing and is setting a course that will benefit all.

From our initial perspective the FTF initiative seems to focus on accelerated reductions of current weapon systems located predominately in the Air National Guard and the relocation of ANG units to active duty bases. The loss of flying units will be compensated by rolling ANG force structure into new missions to sustain its end strength. Issues exist that could be very detrimental to the National Guard to the point of irreversible deterioration. In particular, we fear the initiative as we understand it will cause serious gaps in our capability to defend the homeland.

Our concern compels us to ask you to undertake actions to refine and improve the FTF initiative. These proposals are necessary to preserve the Air National Guard, ensure defense in depth of the homeland, and provide the most lethal and cost effective force in the future.

The Adjutants General can add significant value to Air Force modernization initiatives. First, we feel we should be involved with developing and vetting options, and be given the opportunity to contribute data and analysis to various studies. Through our Adjutants General Association of the United States (AGAUS) we can offer valuable ideas and critiques in a timely manner that will enhance the FTF initiative by making it more palatable to a broader range of interested parties.

Second, the Air Force should thoroughly evaluate the air sovereignty mission after receiving USNORTHCOM requirements from which to develop a realistic force structure plan for homeland defense. The evaluation should consider weapon system dispersion as well as lethality and determine more precisely the extent other services will support this vital mission.

Third, we want to work with the Air Force to develop a roadmap to 2025 that uses proportionality as a key principle for determining roles and missions for the Air National Guard. This is not to say that current proportionality must be strictly adhered to. But rather, it is a starting point for determining the best mix of active and reserve component forces for future operations. We believe increasing full time strength for key weapon systems in the ANG deserves evaluation. The ANG may more effectively support critical Air Expedition Force rotations and other vital missions with a different mix of full time and traditional Guard personnel in units.

Fourth, the community basing plan should be expanded immediately to include additional sites and different weapon systems for a more comprehensive evaluation. The Adjutants General believe very strongly that community basing is a key to sustaining the relevant and ready Air National Guard which has performed so magnificently in homeland defense and contingency missions.

Fifth, to sustain an effective ANG end strength of approximately 107,000 the FTF schedule must be adjusted to slow aircraft retirements while accelerating the assumption of new missions by the ANG to avoid a lengthy gap between mission changes during the transitory period. A gap will cause the loss of experienced personnel while impeding our transition to the Air Force of the Twenty-first Century.

Sixth, the ANG should field new Air Force aircraft weapon systems in ratios consistent with our contribution to the war fight and interspersed throughout each system's fielding plan. The nation will be well served by involving the Air National Guard early on during the fielding F/A–22, C–17, and F–35 weapon systems. This

would also apply to the new tanker and other flying systems (such as intra-theater lift) as they emerge from development. The Adjutants General can provide the Air Force valuable support if given a clear picture showing ANG participation throughout weapon system fielding.

The Adjutants General have an obligation to nurture the rich heritage of the Air National Guard and ensure its readiness and relevance. We have defined several principles that will guide our actions in influencing the make up of the future of the Air Force.

1. Retain the militia basing concept which connects the Air Force to communities dispersed throughout the nation and provides for agile and quick responses to dispersed threats;

2. Leverage the cost efficiencies, capabilities, and community support generated by ANG units in the several states by including them as an integral part of the Future Total Force structure;

3. Each state needs a baseline force for homeland defense which includes civil engineering, medical, and security forces;

4. The Air National Guard maintains essential proportions of flying missions to nurture and sustain direct connectivity with America's communities while supporting the expeditionary Air Force cost effectively, captures the extensive aircrew and maintenance experience of the Air National Guard;

5. The nation is well served by a continuing dialog involving the Air Force, National Guard Bureau, and the Adjutants General as new missions emerge and threats change.

Our desire is to work with the National Guard Bureau in developing, vetting, and implementing initiatives. We provide perspectives from the field that when aligned with the programmatic expertise of NGB will result in sound courses of action with solid support from the several states.

Sir, we truly understand and appreciate your Herculean efforts to transform the greatest Air Force in the World into something even better. We only ask that we are allowed to help in the process.

Respectfully,

DAVID P. RATACZAK,
Major General, AZ ARNG, President, Adjutants General Association.

Senator BOND. Can you, General Blum, give me your assessment of the Guard's role in the development of the future total force strategy of the Air Force? And I refer to the input of the TAGs from States with significant Air Guard assets.

General BLUM. Sir, we cannot pull in a committee of 54 to do that, although we have brought senior members of the Air Staff, to include the Air Force Vice Chief, General Moseley himself, and General Jumper has actually addressed all of the TAGs, the adjutants general, on the future total force.

The problem is there is not great fidelity on the future total force because of exactly the process as you talked—Quadrennial Defense Review (QDR), BRAC, some other things that nobody knows how it is going to shake out yet. So in uncertainty there is always discomfort and paranoia.

I am not ready to say that—I think it bears close watching for exactly the reason I said. I cannot have a community-based force if we do not have a community base. I think once you lose that community base, I cannot think of a place in this country where you can open up a new military airport in our lifetime. So if you lose that capability, you will never reclaim it.

I think those things need to be factored in. We have engaged with the senior leadership of the Air Force and expressed our concerns. We have not been dismissed. They do listen to this and they are making adjustments. Now, how it will all come out I do not know, but we will watch it very closely. And we do have members, representatives, from the adjutant generals who are involved in this process, but it is clearly the business of the National Guard

Bureau to be the interface between the Air Force and the States and we will discharge our duties.

Senator BOND. General, I have to—I will say regretfully, we are not paranoid. They really are after us. I have heard reports about closing of National Guard, Air National Guard facilities that I think are absolutely unwarranted in the BRAC process and would cause me grave concern about the BRAC process if they are not fully engaged.

I have fought long and hard to get upgraded radars on the F–15s because that will make them fully homeland defense capable, and I would like to see support for it.

Let me ask one last thing. Equipment requirements. General, can you expand on your pie chart about the Guard equipment requirements? What is being done to address the equipment shortfalls?

General BLUM. Put up chart 4, please.

On this part you notice, the part in green are the soldiers that are deployed around the world and they are on active duty right now in the Army Guard for 18 months. In the Air Guard it varies, different times. The average is about 120 days.

The yellow, the yellow part of the chart, are those that are getting ready to replace those in the green sector. The part in red is what is available to the Governors of the States and territories for homeland defense and support to homeland security. We have, as we described earlier, have worked very closely with the Governors and the adjutants general to ensure that as we call up Army and Air Guard units we leave at least 50 percent of their capability in the State for command and control, maintenance, medical, communications, transportation, security, and engineers and other critical skills.

What I am concerned about is that the Pentagon is very willing to resource us adequately, in fact superbly, unprecedented equipping of the National Guard for an overseas war fight, but when they come home to the Governor of whatever State or territory, I do not want them to be without the equipment they need to provide the Governor the capabilities that that Governor requires in terms of tornadoes, floods, hurricanes, or counterterrorist acts or critical infrastructure protection missions that may be required in today's environment.

That is where I share some concern that we get adequate resources in the red part of that chart.

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

Thank you, Generals.

Senator STEVENS. Thank you. We thank you very much.

General Blum, I hope we can find some way to deal with the problem that was mentioned about this increment of pay that people lose when they are called up. We have had to oppose those because there is no ceiling. I think there are some people that enter the Guard or Reserve when they are in college or first starting out in business, and 10 years later they find they are making $1 million a year.

Now, these amendments say we are going to make up the difference. In terms of Government employees, of course, there is no million dollars a year, but there are people that are paid $175,000,

$200,000 in specialty pay in various Government agencies and they are in the Reserve or Guard. Now, I think there ought to be some limit, upper limit, on what that makeup is in that gap between the pay of a person in the service and the pay that they are getting performing different skills in the civilian branch of Government.

Doctors, psychiatrists, lawyers, a bunch of things, we have discretion to pay some people much higher than the normal rate of general service.

So I hope that you will study that and give us some recommendations. This has been a bruising fight on this floor so far and the amendment that has been passed has no limit. It has happened twice before and we have dropped it in conference. I do not think that is fair, but I do think that we have to have a fair upper limit to what the difference is if we are going to pay that automatically when people are called up.

I hope you will help us find that upper limit. If you can, we might come out of this conference with success this year.

ADDITIONAL COMMITTEE QUESTIONS

Thank you all very much. We appreciate your service and your testimony here today.

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

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL H STEVEN BLUM

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

GUARD MOBILIZATION SITES

Question. General Blum, as the regular Army continues to transform to the modular force and garrison space at home stations become more of a premium, the use of National Guard facilities will increase as reserve component units are mobilized for deployments. Critical to mobilization is having the necessary infrastructure to support all aspects of mobilization, especially medical screening and training facilities.

Is the Army providing the necessary funding to ensure that key mobilization sites are resources to support units preparing to deploy in support of the Global War on Terrorism?

Answer. The Army continues to provide adequate funds to resource mobilization sites to ensure our soldiers are receiving the very best training possible prior to being deployed in harms way. Typically, Army National Guard mobilization site funding requirements are validated by their respective Continental U.S. Army and Forces Command representatives. After the requirements have been validated, the Continental U.S. Army and Forces Command organizations provide the approved funding. As we utilize these sites more in the future, we need to consider long term Military Construction investments.

The Army National Guard programmed $284 million in the Future Years Defense Plan that will provide facilities such as barracks, maintenance facilities, dining facilities, and unit administrative facilities. These programmed projects will directly support our mobilizations sites. Moreover, we have worked with the Army to establish an Operational Readiness Training Complex model to enable our training and deployment capabilities of our mobilization sites. The monies we have programmed can be indirectly associated with the Operational Readiness Training Complex model.

RESERVE SOLDIERS EMPLOYMENT

Question. General Blum, recently there have been several news articles citing examples of employers not allowing reserve soldiers coming back from deployment to return to their jobs. This is especially troubling in light of the debate about the over-

use of the reserve component, and the challenges with meeting recruiting and retention goals.

How prevalent of a problem is this, and specifically, how many soldiers and airmen are being denied their right to return to their jobs?

Answer. There are not a significant number of soldiers and airmen who are being denied their rights to return to their jobs at this time. The majority of service members return to their place of employment with little or no problem. In calendar year 2004, the Nation called 76,952 Army National Guard and 33,397 Air National Guard men and women to federal active duty. Of these, the National Committee for Employer Support of the Guard and Reserve (ESGR) show less that 2,100 with employment or reemployment incidents that required mediation (1,500 for the Army National Guard and 500 for the Air National Guard). That is 0.02 percent of our mobilized population. Of that group, only 2 percent reported being denied the right to return to work. ESGR resolves such problem via its Ombudsman Volunteers. Using education and mediation, these volunteers resolve 95 percent of all cases. Those that cannot be resolved are referred to the Department of Labor for formal investigation.

ESGR is the Department of Defense's outreach agency whose mission is to educated employers about their legal requirements under the Uniformed Services Employment and Reemployment Rights Act (USERRA, U.S. Code 38, sections 4301–4334). ESGR also provides free ombudsman services to our military members and their employers concerning employment and reemployment issues.

Service Members may also seek remediation of possible USERRA violations via the Department of Labor (DOL). In its 2004 report to congress, DOL reported a total of 440 cases, for all services, specifically concerning a refusal to reinstate or reemploy an individual following a period of military service.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL ROGER C. SCHULTZ

QUESTION SUBMITTED BY SENATOR TED STEVENS

RECRUITING AND RETENTION

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities you believe would be more helpful then what you currently have?

Answer. The PS bonus of $15,000 and the reenlistment bonus of $15,000 both are working extremely well. The ARNG PS recruiting mission YTD is 99.3 percent and the retention mission is at 106 percent of YTD mission.

The following are new authorities that we believe would be helpful in meeting our fiscal year 2006 recruiting and retention mission:

—Increase Enlistment NPS Bonus authority to equal that of Active Component;
—Provide the ARNG with an every Soldier a Recruiter referral bonus of $2,500;
—Provide AC to RC soldiers a one time $15,000 affiliation bonus;
—Allow RC prior Service soldiers to receive PS Enlistment bonus;
—Increase MOS conversion bonus from $2,000 to $4,000 and allow concurrent receipt of bonus;
—Allow the RC to offer a separate quick ship bonus;
—Allow flexibility to offer multiple combinations of reenlistment bonus;
—Allow a variable term retention bonus beyond 16 years of service; and
—Increase Montgomery GI Bill for SELRES to 50 percent of the AC benefit.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

LEFT BEHIND EQUIPMENT

Question. General Shultz, Mississippi has a proud history of contributing to our nation's defense through both the deployment of troops and the production of military supplies and equipment. We are proud of the 155th Armor Brigade, Mississippi National Guard, which deployed to Iraq this past December and January. I understand that many reserve component units have redeployed home and left their equipment behind for follow-on units.

Once the 155th Armor Brigade returns from Iraq, will it, along with other forces returning home, have the equipment necessary to perform future training and missions?

Answer. The 155th was equipped to deploy with 100 percent of their Modified Table of Organization and Equipment (MTOE) requirements as well as additional

mission required items. Some of that equipment has been designated as Stay Behind Equipment (SBE), equipment that will remain in theater to assist follow-on reserve or active component units is subsequent missions. The SBE typically consists of the following equipment: Armored tactical vehicles, newer versions of small arms/electronics and specified specialty equipment.

The SBE order from the Department of the Army for the 155th has not been published. Once published, the SBE order will articulate the time the equipment is expected to remain in theater. Historically, this can range from one year to an undisclosed period of time (end of hostilities). Assuming the $2.94 billion fiscal year 2006 Army National Guard Supplemental is approved, additional items will be fielded to the 155th Brigade Combat Team in accordance with production and Army policies calling for S–3 (approximately 70 percent) at conversion/employment date and S–1 (approximately 90 percent) at employment date plus 24 months. Additional equipment may be funded by other sources.

Any of that equipment subsequently not deployed (identified as not required for the specific mission or available in theater as SBE from the unit relieved, such as armored vehicles) was left in CONUS or returned from theater without use.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL DANIEL JAMES, III

QUESTION SUBMITTED BY SENATOR TED STEVENS

RECRUITING/RETENTION

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities that you believe would be more helpful then what you currently have?

Answer. The Reserve Component cash bonuses are our most effective incentives in today's difficult recruiting and retention environment, and the increase in bonus authorities authorized by the Fiscal Year 2005 National Defense Authorization Act are a big reason for our success. However, there are two incentives that we believe could be improved to be even more effective. We feel the retraining bonus will be critical as we attempt to retain as many members as possible through Future Total Force and Base Realignment and Closure. We will be asking thousands of members to move and/or retrain and, the current $2,000 retraining bonus is not a sufficient incentive to ask them to do that. We would like to see the retraining bonus increased to $10,000. In addition, the reserve affiliation bonus of $50 per month for every month remaining on a member's military service obligation, has not changed since the late 1980's, while all other incentive programs have increased substantially. We would like to see the reserve affiliation bonus increased to at least $10,000, to make it a more viable recruiting tool for these fully qualified prior service members who save us millions in training dollars.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

AIR TRAFFIC CONTROL

Question. General James, I have been informed that the Air National Guard has the critical mission of air traffic control in operational theaters. I have also been told that the equipment the air traffic controllers' use was developed long before many of them was born. Could you describe to this committee the efforts the Air Force is taking to modernize tactical air traffic control systems for the Air Force and the Air Guard? Is the Air Guard making use of the Mobile Approach Control System?

Answer. The primary Air Force deployable Air Traffic Control Systems (ATCALS) are the TPN–19 and the MPN–14K. These systems include an airport surveillance radar, precision approach radar and operations center. The Active Duty Air Force is currently using the TPN–19 and the Air National Guard is using the MPN–14K. The MPN–14K was designed and purchased in the late 1950s while the TPN–19 was designed and purchased in the early 1970s. Both systems have already exceeded their expected life-cycle and are reaching unsupportable levels. The Air Force has an on-going acquisition program to replace these systems called the Mobile Approach Control System (MACS).

The Air Force has defined a requirement to purchase 18 systems for both the Active Duty and Air National Guard. To date, two test units and three pre-production systems have been procured. These systems will support developmental testing at Duke Field, Florida this summer and operational testing in early 2006 at Shaw

AFB, South Carolina. Additionally, these pre-production units will support training for maintenance personnel and air traffic control operators. The remaining 13 MACS systems will be procured after completion of the operational testing. Using these systems, an initial operational capability is planned in 2007.

Funding for the remaining 13 systems was not within the Air Force fiscal year 2006 budget. However, the high operations tempo and increased use of tactical radar systems to support Operation Enduring Freedom and Iraqi Freedom resulted in MACS being elevated to number four on the Air Force's fiscal year 2006 Unfunded Priority List. The current shortfall is $121 million.

QUESTIONS SUBMITTED BY SENATOR RICHARD C. SHELBY

FUTURE TOTAL FORCE

Question. General James, Future Total Force (FTF), as currently proposed by the Air Force, presents a significant challenge to our citizen-airmen because it disproportionably impacts the Air National Guard. Currently, the Air National Guard maintains at least one flying unit in every state. This structure is a vital component to homeland defense. How do you propose securing our homeland or responding to a major disaster when no units are available to our Governors because FTF has removed them?

Answer. We recognize the fact that a preponderance of legacy aircraft reside in the Air National Guard (ANG) and are now working with the Air Force to ensure that the Future Total Force vision does not simply mean taking flying missions away from the Air National Guard without a viable, meaningful mission to replace it whether it is existing legacy aircraft or new emerging missions. We are making every effort to work with the Air Force to ensure that we "bridge the gap" between our divestiture of legacy systems and our stand-up of these new and emerging missions.

In fact, we want to ensure that we retain one of our most valuable assets—our high experience base. There will be some changes, but we will continue to work with the Air Force to make sure that we minimize the loss of the valuable experience resident in the Air National Guard. From our perspective, one of the most exciting changes underway is the "Community Basing" concept test in Vermont recently approved for implementation by the CSAF and SECAF.

The Community Basing concept should provide us with a model that we can expand to other guard locations. By placing active duty personnel at Air National Guard locations, we can take full advantage of the experience that resides in the Air Guard and increase our utilization across the entire Total Force. As this concept matures, we will be able to maintain a dispersion of our ANG forces with their inherent Expeditionary Combat Support capability that can be dual-used for defense of the homeland and to meet Combatant Commander requirements. Our role in defense of the homeland doesn't include just Air Sovereignty Alert; we maintain a vast skills base in Expeditionary Medical Support to Chemical Biological Radiological Nuclear and High-yield Explosives Enhanced Response Force Packages (CERFPs), Civil Support Teams, secure communications, fire fighting, etc. The Community Basing concept is a Future Total Force vehicle that will allow us to keep these dual-use skills where they are needed.

Question. Under the Future Total Force plan, there appears to be a significant time lapse between when airframes are removed from a unit, and when that same unit would receive a follow-on mission. What do you propose to do with those airmen in that timeframe? How are you working with the Air Force to solve this problem?

Answer. The Air National Guard (ANG) agrees that the need exists to modernize our force structure and bring online new and emerging missions. We are making every effort to work with the Air Force to ensure that we "bridge the gap" between our divestiture of legacy systems and our stand-up of these new and emerging missions. Our greatest concern, as you have noted, is ending up in a position where we have transferred out of a system prematurely, thereby losing our most valuable asset—our experienced guardsmen. As we move forward we will continue to keep a watchful eye on the training pipelines for these new roles and ensure our guardsmen have adequate access to training. In addition, we are working with the Air Force to identify adequate resourcing for these new and emerging mission areas. We will make every effort to ensure our future guardsmen are equipped and trained for their new role.

Because we await the basing decisions of BRAC 2005, we cannot predict with any certainty which units will get which missions, but as soon as the BRAC announce-

ments are made, please be assured that the Air National Guard will work with the Air Force to make any ANG unit transition, if deemed necessary, as smooth as possible.

RECRUITMENT

Question. Recruitment for the National Guard is down. Would you agree that removing units from states, therefore forcing Guardsmen to travel long distances for drill weekends, will only hurt recruitment? Do you have any plan as to how you will combat this problem?

Answer. Yes, recruiting is currently down in the Air National Guard, specifically Non-prior service (NPS) recruiting.

We do understand that removing units from states will not only affect recruiting, but retention as well. As we transition through Future Total Force and Base Realignment and Closure, we will be asking our members to move, retrain into another career field, or leave earlier than expected. We do anticipate some unexpected losses, thus having to recruit to these losses. However, we must move forward with these transitions to new missions to not only remain relevant, but to also support the war fighter of the future.

Our plan to combat this potential problem is to use all the personnel force management tools available, to include incentives, transition authorities, and training opportunities. Additionally, leadership will undoubtedly play a large role in the transition to new missions. We will continue to take great care of our members, as we have in the past. We have always had one of the best retention rates and plan to keep it that way.

FUTURE TOTAL FORCE

Question. It is my understanding that the Guard will lose 60 percent of their airframes due to the newer F–22 and JSF coming on-line. In the past, both the Air Force and Guard leadership have stated that due to FTF, end strength won't be reduced. However, if there are fewer planes, and therefore less flight time for the same amount of Guard personnel, what will these Guardsmen being doing? Do you really believe a trained pilot or maintainer would happily take a desk job?

Answer. We recognize the fact that a preponderance of legacy aircraft reside in the Air National Guard (ANG) and are now working with the Air Force to ensure that the Future Total Force vision does not simply mean taking flying missions away from the Air National Guard without a viable, meaningful mission to replace it. As previously stated, we are making every effort to work with the Air Force to ensure that we "bridge the gap" between our divestiture of legacy systems and our stand-up of these new and emerging missions. As we move forward we need to continue to keep a watchful eye on the training pipelines for these new roles and ensure our guardsmen have adequate access to training. In addition, we are working with the Air Force to identify adequate resourcing for these new and emerging mission areas. Through the addition of new and emerging missions, as well as, the increased crew ratios and new organizational constructs, we believe all of our guardsmen will be key players in relevant missions well into the future.

To remain a key part of the Air Expeditionary Force and provide for the Air Defense of the Homeland, it will be necessary for the United States Air Force to continue cascading existing modern aircraft and ensure the Air National Guard is also participant in new aircraft.

There will be some changes, but we will continue to work with the Air Force to make sure that we minimize the loss of the valuable experience resident in the Air National Guard. From our perspective, one of the most exciting changes underway is the "Community Basing" concept test in Vermont recently approved for implementation by the CSAF and SECAF.

The Community Basing concept should provide us with a model that we can expand to other guard locations. By placing active duty personnel at Air National Guard locations, we can take full advantage of the experience that resides in the Air Guard and increase our utilization across the entire Total Force.

STATEMENT OF LIEUTENANT GENERAL JAMES R. HELMLY, CHIEF AND COMMANDER, ARMY RESERVES, UNITED STATES ARMY

Senator STEVENS. Let us now hear from the commanders of the Reserve forces: Lieutenant General James Helmly, Chief of the Army Reserve; Vice Admiral John Cotton, the Chief of the Naval Reserve; General Dennis McCarthy, Commander of the Marine Force Reserve; and Lieutenant General John Bradley, Chief of the Air Force Reserve.

We welcome you, gentlemen. General Bradley, you are making your first appearance before the subcommittee. We welcome you and look forward to hearing from you. We also acknowledge, General McCarthy, that this is your last statement before us. I understand you have had 38 years in the Marine Corps and we wish you the best for the future.

I must say to you, you have seen the subcommittee has sort of disappeared. They are on the floor and there are several amendments pending, as I have said before, that affect this panel and this hearing. But I do wish to have your statements.

By the way, all the statements that are presented today by the general officers will appear in the record as though read.

I welcome whatever statements you all would like to make here this morning. I do not know whether any of my colleagues will come back. I may be called to the floor to vote before you are finished. But let me ask, who will open this? General Helmly.

General HELMLY. Sir, the Army is the senior service. We will be happy to oblige.

Sir, I am Ron Helmly. I am an American soldier and it is with great professional pride and personal humility that I come before you today to discuss the posture of our Army Reserve with my fellow chiefs of Reserve components. Let me state first that I am proud to be in their company as well.

One thing. While we are, as was noted earlier, institutionally charged in law separately, funded separately, and we do different things for our services, the facts are that we are blessed with an exceptionally strong joint team, not only across the components but also across the services. So it is a distinct privilege for me to serve with these gentlemen to my left.

I am also privileged this morning to introduce two of our soldiers: Captain Damon A. Garner and Sergeant First Class James J. Martin. They represent the centerpiece of our formation across all components of our services, our people, our uniformed members and in turn their families, and our civilian employees.

PREPARED STATEMENT

I look forward to your questions during the course of the hearing. Thank you for allowing us to be with you this morning.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JAMES R. HELMLY

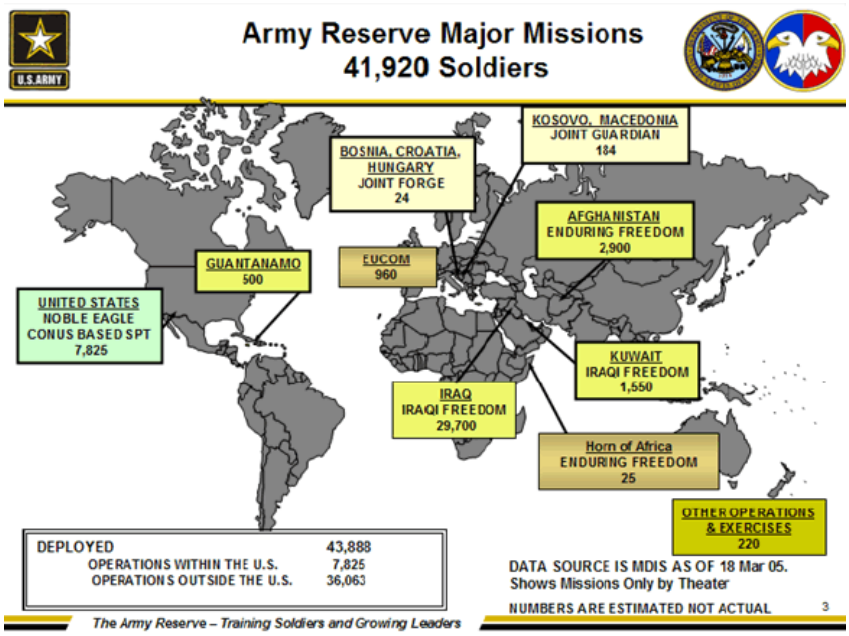
The Purpose of the Army Reserve ". . . to provide trained units and qualified persons available for active duty in the armed forces, in time of war or national emergency, and at such other times as the national security may require, to fill the needs of the armed forces whenever more units and persons are needed than are in the regular components."——Title 10 USC, subsection 10102

". . . The Army isn't just an ordinary institution, it's a great institution with an unparalleled set of enduring core values, a long, rich tradition, and a demonstrated ability to change and adapt to new situations . . . We must . . . develop a future force that is better able to meet the challenge of our security environment by transforming the way the Army fights and the way it does business . . . We will keep the best of the past, while transforming to be better able to meet the challenge of the future."——Secretary of the Army Francis J. Harvey, Welcome Ceremony, December 6, 2004

RECOGNIZING THE NECESSITY FOR CHANGE

Dual Missions for Citizen-Warriors

We are your Army Reserve. We are waging two battles simultaneously. First, we are 205,000 Citizen-Soldiers, serving with our Army at war, an integral and complementary part of our Army's capabilities, decisively engaged with the Army in joint and expeditionary operations around the world. In all, about 130,000 Army Reserve Soldiers have served on active duty since 2001, waging the Global War on Terror, and deploying in support of Operations Noble Eagle, Enduring Freedom, and Iraqi Freedom. We are an integral component of the world's best army, complementing the joint force with skill-rich capabilities. Simultaneously, we are an Army Reserve decisively engaged in the process of change, transforming itself to better meet the challenges of the 21st century and beyond. We are reinventing ourselves as Warriors even as we fight the war. The change is essential and profound, of a scope unprecedented in our history.



A Smaller Army: an Army Reserve Refocusing

After nearly 50 years of Cold War and a victory, our Armed Forces were reduced in size—our active duty Armed Forces by 33 percent; our Army Reserve force by 36 percent. Throughout these reductions, The Army essentially remained a smaller

version of its Cold-War self, still oriented on large-scale, maneuver warfare appropriate to a campaign in the Fulda Gap and to Armageddon on the plains of Germany. Post-Cold War campaigns taught us that the wars of the 21st century would be a different item altogether. Future, regional conflicts would not be fought on open plains, by superpowers' massed armored formations, but by smaller units maneuvering their way though devastated urban areas and congested villages of the third world. Local warlords and strongmen with private militias would replace regular forces as adversaries. Speed, mobility, agility, and the correlation of forces became ascendant military virtues. An expeditionary force (Active and Reserve) would be the weapon of necessity to fight our country's battles, while essentially retaining campaign qualities. The roles of intelligence, special operations, psychological operations, and civil affairs forces were moving to center stage and beginning to expand and proliferate. Moreover, the fact that after Operations Desert Shield/Storm, Reserve component support had leveled off and was maintaining a steady-state of about 12.5 million mandays per year (up from an average of less than a million mandays per year in the mid-eighties), raised some very interesting issues about overall force balance for Total Force planners. Things were changing profoundly, indeed.

During this period, the Army Reserve, reacting to these reductions realigned its internal command and control structure. Smaller commands were folded into one another wherever possible to increase command efficiency and reduce the size of the force structure. Command boundaries were redrawn and aligned with existing federal administrative regions to improve emergency planning, coordination, and response. Economies of scale and focus were achieved, while enhancing responsiveness and flexibility. All of this took place before September 11, 2001. Then the world changed.

Filled With a Terrible Resolve

In the wake of the attacks of September 11th, came the Global War on Terror, and Operations Enduring Eagle, Enduring Freedom, and Iraqi Freedom. The reduced Army and its smaller Reserve components were at war, and the system was being stressed. The need to change radically the operational paradigms of the Army and its Reserve components became ever more apparent. The Army leadership embarked on an ambitious and far-reaching program of change intended to redefine, realign, rebalance, and refocus the force to meet the new realities of the 21st century and beyond. The focus and expectations had changed because the realities of war had changed.

In a time of war when there were no secure rear areas, the Army's Chief of Staff declared that every Soldier would be a rifleman, a Warrior. The twenty-first century Reserve Soldier would become a new model Citizen-Warrior, who, though he would remain a citizen first and foremost, would always be a Warrior. Operations Enduring Freedom and Iraqi Freedom tested the mettle of these Warriors.

At the same time, long-accepted Cold-War planning assumptions and expectations concerning duration of operations required continuous adjustment and recalculation to accommodate a period in which offensive operations had widely ceased, but in which counter-insurgency, combat, pacification and stability intermeshed in high tempo. Rotation timetables and troop levels were subject to frequent adjustments. Predictability was becoming a morale issue, and the potential adequacy of available troop levels was also being questioned in light of foreseen and developing strength management shortfalls. The problem was institutional.

The management problems that were emerging were clearly tied to obsolete, Cold-War models, based upon legacy force structure, personnel management and policy, and operational responses to unconventional and asymmetrical military threats. The key to meeting this challenge would have to be the development of a coherent and integrated plan that would change Army Reserve force structure, manpower planning training, equipping, and employment policies, and merge the results into an entirely new approach to future combat operations. Transformation and change were recognized not as processes separate from fighting the war on terror, but as necessary preconditions to successfully waging the war. Change became a strategic imperative.

EMBRACING PROFOUND CHANGE

A Catalyst for Change

The Federal Reserve Restructuring Initiative (FRRI).—In 2003, the Army Reserve, having assessed its organization and many of its legacy management policies, began implementing the FRRI, an integrated structural and manpower reorganization program that would realign force structure, and focus assets, resources, and policies on

improving wartime readiness rather than peacetime, organizational-support missions. The project was an ambitious one that sought to remedy a hollow force and its inherent lack of readiness; build rotational depth into the force; create a command and control system that produced active duty-ready Soldiers and units; and established Soldier lifecycle management. It realigned support commands to focus their efforts on mobilization readiness rather than peacetime operations. It introduced a Reserve human resources lifecycle management system that offered personalized, centralized management, scheduled professional development education, facilitated assignments among all portions of the Selected Reserve. It developed leaders, and fully manned and resourced the Reserve structure. In sum, the FRRI prepared the way for many personnel and force management features that support change and the Army Reserve Expeditionary Force (AREF).

Mobilization Issues

One other issue that the FRRI addressed was the mobilization system. During the Cold War, mobilized Army Reserve units were typically sequenced to flow in a prescribed order at a modest readiness level. Preparation and qualification time were built into an alert-mobilize-train-deploy model, that was linear and rigidly sequential in nature. This system protected unit integrity and presupposed extensive post-mobilization training and that unit sets of mission-essential equipment would also be issued after mobilization. The old system also provided predictability in the process and a minimum of 30+ days from alert to mobilization. Partial mobilization authority allowed for a full year or more of employment in theater.

During the Bosnia and Kosovo period, Presidential Selected Reserve call-up authority was used to call up smaller numbers of Soldiers in accordance with the old model. However, because total Army Reserve requirements were relatively modest, we did not reach deep into the force and exhaust any one set of skill capabilities. The old system held up—for the time being.

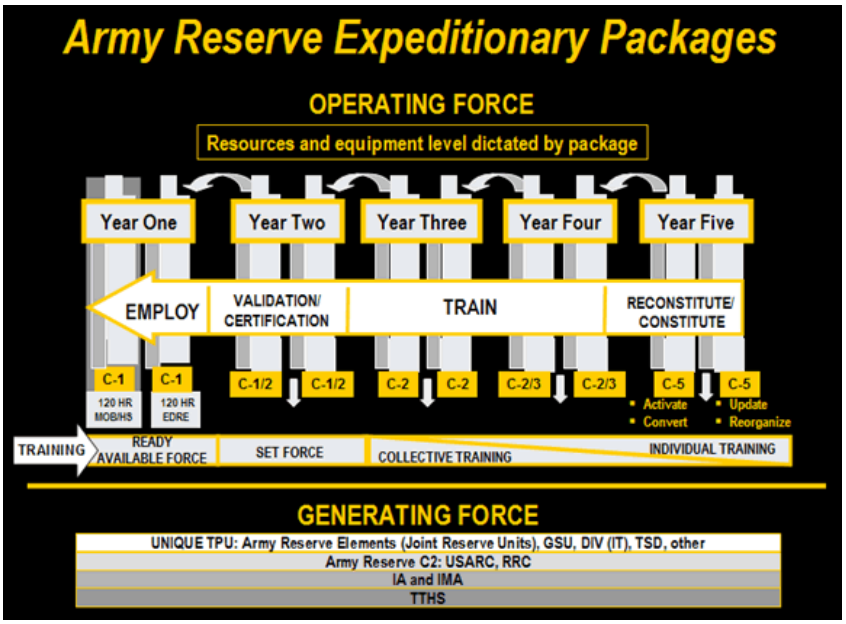
Even as We Speak

Current mobilization practice (the new model) is built around combatant commanders' requests for forces (RFF) and deployment orders (DEPORDs). Typically RFFs could consist of as little as one Soldier or range up to an entire unit. (Fifty-two percent of the Army Reserve's mobilizations under OEF and OIF have been for 6 Soldiers or less.) Typically, multiple RFFs are made and each element is placed on alert. Some have received short-fused DEPORDs in as few as a couple of days, while other elements have been left on alert awaiting orders for months. There has been little predictability in the process as required forces have been deployed from virtually anywhere on our troop list. A much higher deployment criterion was regularly called for, and this required the Army Reserve to perform extensive reassignment of Soldiers and realignment of equipment. Today, on average, 35 percent of the Soldiers in a deploying unit are reassigned from elsewhere. This has presented us with an extremely difficult challenge—manage the current mobilization process to keep it from breaking the readiness of not-yet-alerted units. These remaining units will be needed later in the warfight and, if "cherry-picked," will not be able to reach deployment standards themselves without additional personnel reassignments.

TOWARD AN EXPEDITIONARY FUTURE

The Army Reserve Rotational Concept and the AREF

The centerpiece of the Army Reserve's change to the future is its expeditionary force packages, an integrated rotational model that grows out of the Army's efforts to transform itself and restructure its forces to remain relevant and responsive in an era of uncertainty and change.



The Army Reserve Expeditionary Force (AREF) synchronizes Army Reserve structures, programs, and operations to sustain responsive, effective and available support of the Army mission. The AREF is a major institutional response to the changing nature of war, and a significant departure from historical Army mobilization and management models that had not contemplated sustained Reserve deployments as an essential feature of military campaigns. It supports the Army's concept of modularity, and the brigade combat teams that are organized under that concept to be more readily deployable and more capable of meeting combatant commanders' needs. The AREF is intended to make the Army Reserve's provision of campaign quality combat support and combat service support forces to the combatant commanders more sustainable.

AREF: the Lynchpin of Army Reserve Readiness

In August 2003, the Army Reserve, building upon the Federal Reserve Restructuring Initiative, and Active component expeditionary structures, began to refine and implement a complementary expeditionary support force concept. The Army Reserve Expeditionary Force (AREF), which itself reflects and complements Active component management models, provides available and ready Army Reserve Soldiers, and synchronizes Army Reserve equipping and training cycles to develop and sustain the readiness of Reserve component forces required to support Active Army formations, readiness, and operations.

The Global War on Terror was as much as any other single factor, responsible for the development of the Army's expeditionary force concept and its Army Reserve counterpart, the AREF. The protracted nature of the GWOT as well as the heavy investment in equipment required to carry it out, mandated that certain planning factors had to be addressed for the long term if the war on terror was to be waged successfully. The expeditionary force concept is a solution to that problem. It allows a force of limited size to sustain a campaign for a long, if not indefinite period, by cycling its limited, though renewable, assets and resources through a synchronized, progressive, and focused schedule of deployments, engagements, and regeneration, refit, and retraining to achieve serial, selective readiness.

When we speak of assets and resources, we mean the personnel, equipment, and training needed for units to be campaign-ready when required for a predetermined period. In this case, we mean an institutional goal of units capable of deploying to the theater of operations for 9 months on 120 hours' notice every 5 years. We must generate the force; equip the force; and train the force to achieve adequate campaign readiness. We are focusing our efforts and assets on these areas in turn as the constituent units of the AREF move through their service cycles.

The Army Reserve will provide units supporting Army Expeditionary Force Packages (AREP), consisting of trained and progressively mobilization-ready forces. The first two expeditionary packages (AREP) are expected to be ready for deployment in the fall of 2005. Army Reserve expeditionary packages will contain a number of units, each of which will move through a progressive readiness cycle. In a steady state, each Army Reserve expeditionary package has a planned activation period of 270 days to capitalize on the Presidential Reserve call-up with 6–7 months' "boots on the ground." The goal is a package rotation of one deployment in five years. Our analysis indicates that single-package availability to the combatant commands is sustainable over an indefinite period of time. In a surge state, the Army Reserve can make available up to 4 packages (roughly 40 percent of our force) for a limited period. Based on surveys from both in-theater and recently returned Soldiers, the Army Reserve believes this new strategy is sustainable over the long term. "Transformation and change were recognized not as processes separate from fighting the war on terror, but as necessary preconditions to successfully waging the war."

The benefits of these new training and equipping strategies to the Army are many. Most notably, they allow the Army Reserve to provide fully trained and equipped units and Soldiers, while reducing the need to reassign personnel and equipment upon receipt of mobilization orders. These strategies also position the Army Reserve for transformation to support the modular force structure of the Army.

GENERATING THE FORCE

The New Force

The all-volunteer Army is required by its nature to constantly regenerate itself quantitatively and qualitatively if it is to survive. As with any living entity, it must change to accommodate external forces and events that impinge upon it and its mission. In the face of external change, the Army Reserve is restructuring its forces and rebalancing its skill inventories to support the Army Reserve Expeditionary Force. It also seeks to provide sustainability and predictability in mobilization and utilization of Reserve forces (while avoiding wholesale cross-leveling and its inevitable results). At the same time, we want to improve management efficiency, and focus training on skills and specialties required by the combatant commanders. These force-generation changes mirror similar major initiatives throughout the rest of the Army. Because they are being pursued concurrently while we are at war, they are complex, intricate, time-consuming, and dynamic; but once completed, they will enable us to remain engaged as an integral, complementary, participant in an expeditionary army with campaign qualities. As we noted earlier, they are an essential precondition to winning the war on terror.

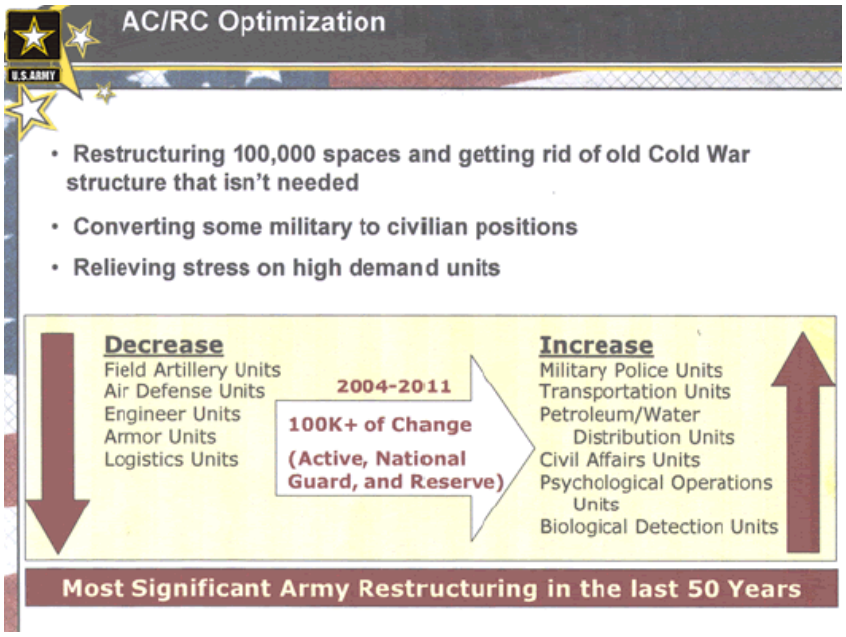
Restructuring the Force

Significant changes originally undertaken as a part of the Federal Reserve Restructuring Initiative remain central to the Army Reserve's strategic vision for regenerating and transforming its command and control force structure. In keeping with the National Defense Strategy, the National Military Strategy, OSD's comprehensive review of Reserve Component Contributions to National Defense, and the strategic global military environment, these changes provide the basis and rationale for moving from the older Army Reserve regional support commands, to operationally deployable commands. Peacetime command and control has been replaced with wartime readiness.

Optimizing the Force

The Army Reserve's Citizen-Soldiers have been continuously mobilized since 1995. Prior to September 11th, the annual manday usage for the Reserve components had leveled off at a steady state of about 12.5 million per year (the equivalent of more that two traditional Army divisions). From the very beginning of the Global War on Terror, we have known that it would be a long war that had to be sustainable in order to be won. Because many of our military formations were misaligned to meet the current threat, our legacy force structure was being stressed in ways that we had not anticipated by missions that we had not contemplated (or if we did envision them, we did not foresee the degree and frequency to which they now occurred). This was particularly true in some military specialties that were assigned entirely or nearly so to the Reserve components. Military police, transportation, petroleum and water distribution, civil affairs and psychological operations units were among those finding themselves spread thin by heavier-than-anticipated demands for their specialized support services. They had been aligned for a different war than we were now fighting, a war based on a whole other set of operational assumptions that were no longer useful and functional. As a result, these units were experiencing sufficient

stress to potentially challenge our ability to sustain the long push needed to bring the second Gulf War and the Global War on Terror to successful conclusions.



Based upon an analysis ordered by the Secretary of Defense, the military services undertook a comprehensive assessment of their forces and components, seeking ways to relieve the stress on certain high-demand-low-density units, particularly those that are found primarily in the Reserve components. "Optimizing" is intended to refocus Total Army assets on current and emerging missions. It will allow us to trim away low-demand force structure and convert it to directly usable forces to meet missions that would otherwise require more frequent repetitive mobilizations and deployments. More than 100,000 Active, Army National Guard, and Army Reserve spaces have been earmarked for restructuring and in some cases elimination between 2004 and 2011 as Cold-War over-structure. Specifically, the intent of optimizing is to

—Develop a flexible, modular force structure with a proper force mix and depth to sustain homeland defense, major combat operations, smaller-scale contingencies, stability operations, and other requirements of our defense strategy.

—Optimize the Army's ability to respond with a predominantly AC force within the first 15 days of an operation and ensure sufficient AC–RC force structure depth to sustain and support both operational rotations and contingencies.

—Develop plans to fully man Active and Reserve component units and improve the readiness of all our formations.

—Resource high-demand unit requirements by eliminating less-utilized force structure and capabilities.

Optimizing paves the path to modularity, stability, and predictability. It successfully regenerates and restructures the force, creating a flexible, modular Army Reserve that provides stability and predictability for our Soldiers, their families, communities and employers. This initiative will result in a rapid and responsive, campaign-quality Army, while maintaining the depth necessary to meet any threat across the full spectrum of conflict. We will eliminate unnecessary Cold-War over-structure to pay the bill; there will be no reduction in the number of Soldiers. Sustained operations will be the norm for the future, so we must optimize our capabilities to meet this reality.

Our formations must be relevant to the defense and military strategies—modular, interoperable, and agile. They will optimize our capabilities and sustainability by expanding in specialties that are most in demand. We remain convinced that manning our forces at 100 percent will increase readiness and reduce turbulence for Soldiers and their units. We further believe that building rotational-based, modular

force packages will provide predictability and sustainability for Soldiers in the Army Reserve.

The Army Modular Force

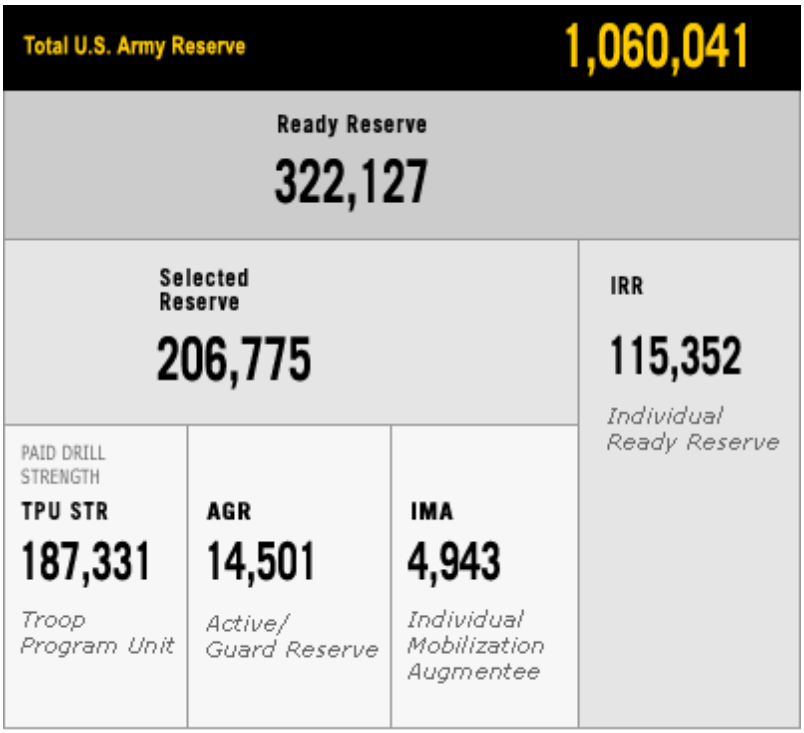
Closely aligned to these force structure changes is the issue of the Army Modular Force. The Army has historically favored mobilizing its assets as discrete units. This practice helps ensure unit efficiency and morale as well as effectiveness by allowing Soldiers who have trained and worked together to be mobilized and to serve together. One of the lessons of the campaigns of the last 15 years is that our traditional NATO/Cold-War divisional structure is no longer optimal for the nature of the wars we are now fighting. Expeditionary formations must be smaller, more adaptable, and provide combatant commanders greater flexibility when they task organize their forces to meet emerging threats and evolving situations. The intent is to develop interchangeable units (modules) that can be assigned with a minimum of cross-leveling of assets, across a spectrum of task-organized forces in what the Army calls its "plug and play" mode. All of the components of the Army share this organizational imperative. The Army Reserve is incorporating this principle in its restructuring and rebalancing initiatives, and has allocated 30,000 spaces to support modularization of its force.

FORCE GENERATION MANAGEMENT PROGRAMS

The Test

When we discuss "generating the force," we address issues that range from recruiting and retention and the tools associated with those functions, to the broader topic of human resource management and its supporting programs and policies. Ultimately, the issue is people—attracting, retaining, and managing the best, most motivated and qualified people and Soldiers we can to make up our Army and its Army Reserve.

The Global War on Terror is the first real test of our all-volunteer force. It will sorely try the soul of our Armed Forces and our ability to recruit, retain, and manage the human resources we need to defend ourselves and our interests over time.



Source: *10 Jan 05 RCCPDS Strength Summary Report and HQC 307 Report*
* IRR Enlisted includes 950 Reserve Delayed Entry Program Enlistees

Recruiting and Retention

The Army Reserve has been working very hard to meet its programmed manpower goals. The challenges that we face in this area have caused us to reconsider our historic approach to manpower recruiting and management. We recognized the need to take more active steps toward meeting our Soldiers' needs and structuring their careers. While our level of success in this endeavor remains to be seen, the array of initiatives and incentives to service that we have developed with the help of the Army and the Congress bodes well for the future. Among these initiatives are the following:

—Expanded Recruiting Force—we have reassigned 734 more Active Guard and Reserve (AGR) NCOs to the USAR recruiting force. This brings our recruiting force total to nearly 1,800.
—Incentives—During the preparation of the fiscal year 2005 National Defense Authorization Act, we worked closely with members of the congressional oversight committees to improve the attractiveness of the Selective Reserve Incentive Program, enhance prior-service enlistment and reenlistment bonuses, and establish a $6,000 officer accession bonus.
—For our own part, we have moved aggressively to
  —Realign Individual Ready Reserve and troop program unit mission responsibilities to increase retention.
  —Place 49 recruiting NCOs at transition points to work with Soldiers leaving the Active Army and help them find units to continue serving the nation.
  —Resource the start-up costs for the 734 new AGR recruiters.
  —Realign funding to support increased bonuses and program enhancements.
  —Increase funding support for national and local advertising.

Officer Recruiting

Currently, Army Reserve troop program units reflect a shortage of company grade officers. The Army is taking the following actions to remedy this shortfall:

—We have increased officer accessions into the Army Reserve. U.S. Army Cadet Command now has a formal mission for Reserve Officers Training Corps (ROTC) for 670 cadets a year. In February 2005, we also implemented the officer accession and affiliation bonuses that were authorized in the fiscal year 2005 National Defense Authorization Act (NDAA). These tools will enable us to attract more officers to serve in the Army Reserve and will help us with our accession mission.

—We have implemented the Army Reserve Green to Gold pilot program and plans are being made for its expansion. The Green to Gold program, which began at the University of Pittsburgh and now has been expanded to six universities, is managed by the 80th War Division (institutional training). Army Reserve-wide there are approximately 35,000 enlisted service members who meet minimum requirements for appointment as commissioned officers.

—Active component and National Guard officer candidate schools remain a strong venue for appointment of company grade officers.

—Direct appointment remains a strong commissioning source.

—The Army has also implemented several initiatives that will greatly improve the retention of our junior officers. Some of the initiatives include: (1) We've increased the number of officer basic course training seats and are reducing the time it takes for a reserve officer to get to training; (2) we are now assigning newly commissioned officers directly to a troop unit rather than to the Individual Ready Reserve; (3) we've streamlined promotions to first lieutenant and changed promotion policy for centralized promotion boards. These changes will enable us to increase retention while improving readiness.

Medical Officer Recruiting

The Army Medical Department (AMEDD) continues to be mindful of the challenges to the recruiting of medical professionals. We have taken active steps to address challenges and will continue to monitor these numbers to determine if additional changes are required. One of the most frequently cited barriers to effective AMEDD recruiting is repeated mobilizations. To address this we have implemented the 90-day boots-on-the-ground program for many critical, hard-to-recruit medical positions This change, which allows shorter deployments, was developed from input from our Reserve component AMEDD personnel, and today we believe it is successful. However, we will continue to monitor these types of challenges to ensure we maintain a ready force and will continue to work with AMEDD recruiters to develop initiatives tailored to meet current and emerging requirements.

Individual Augmentation Program

One of the significant force-generation challenges the Army Reserve faces is the large number of taskings to provide the Army with individual Soldiers, or small, nontask-organized groups of individuals to fill specific individual mobilization requirements. To fill these requests, the Army Reserve has typically had to mobilize groups of six or less Soldiers, making personnel tracking and accountability extremely difficult. To re-engineer and streamline the individual mobilization process and improve accountability, we established the United States Army Reserve Command Augmentation Unit (UAU) as a holding element for individual mobilized Soldiers.

Soldiers living in areas without a unit that supports their MOS or grade may be assigned to the UAU and attached to a troop unit near their home of record for training. Individual Augmentees may also support force generation requirements by being temporarily attached to fill critical MOS/grade shortfalls in mobilizing Army Reserve units.

Currently there are more than 7,500 Army Reserve Soldiers registered in the IA Program Volunteer database.

Since October 2003, the IA Program has provided approximately 1,200 volunteers to fill individual augmentee mobilizations, replacement operations, World-wide Individual Augmentee System requirements, or be cross-leveled to fill critical military occupational specialties in deploying units.

Full-Time Support

The Army Reserve is a full partner in Army transformation, the Global War on Terror, and support for ongoing strategic operations in Iraq and other parts of the world. Full-time support (FTS) levels directly affect all facets of force generation and unit readiness—personnel, training, and equipment—by providing the core expertise and continuity required to effectively prepare for and efficiently transition to war. The Congress has long recognized that adequate levels of full-time support, both Active Guard and Reserve (AGR) and military technicians (MILTECHs), are essential

for units to attain and maintain the heightened levels of mobilization readiness demanded the Global War on Terror and ongoing strategic operations.

The current FTS ramps for AGRs and MILTECHs, established in January 2001 by the Army, in cooperation with the Army Reserve and the Army National Guard, were designed to gradually achieve minimum essential resource levels (73 percent of requirements) in support of RC unit readiness.

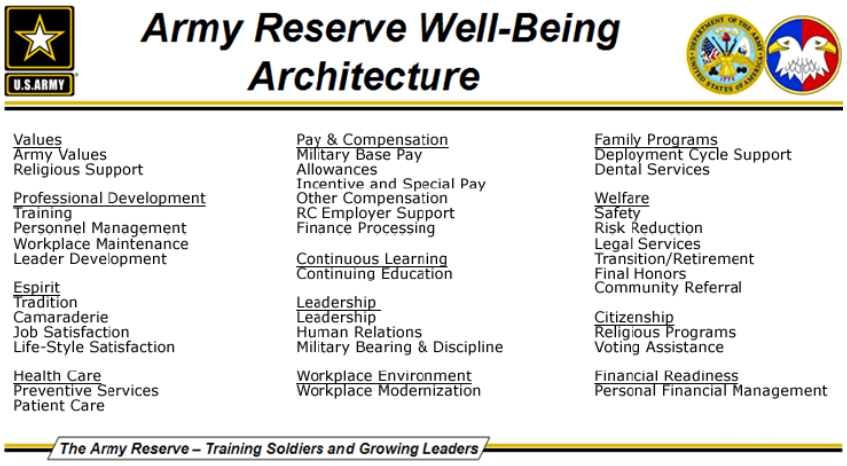
The Army Reserve historically has had the lowest FTS percentage of any DOD Reserve component, including the Army National Guard, and this will still be the case when the current approved ramps reach end-state in fiscal year 2010. The fiscal year 2005 DOD average FTS manning level is 21 percent of end strength, while the fiscal year 2005 total for the Army Reserve is 11.3 percent.

In fiscal year 2005, the Army Reserve was tasked with additional FTS mission requirements above and beyond programmed requirements, including:

—Replacing 223 Active component training advisers (Title 11) to the Reserve components who will be reassigned to support Active component missions.

—Providing U.S. Army Recruiting Command 734 additional recruiters for fiscal year 2005 and fiscal year 2006.

In cooperation with the Department of the Army, the Army's Reserve components are revalidating their FTS requirements to ensure that existing FTS models and support structure remain relevant to current missions and the needs of the Soldier. We expect that, as a result of this effort, requirements may increase, not decrease. It is imperative that the programmed resourcing of full-time support not only be maintained, but increased, as the Army Reserve restructures to move to a more ready, campaign-capable, and accessible future force.



FORCE GENERATION SUPPORT PROGRAMS

Army Reserve Well-Being Program

As a major element of its long-term force generation plan, the Army is formalizing the concept of well-being. The Army Reserve Well-Being Program enhances the institutional strength of the Army Reserve through a comprehensive strategy that integrates all well-being resources to enable Soldiers, civilians, retirees, veterans, and their families to become more self-reliant and better able to meet their personal needs and aspirations. Army well-being integrates and incorporates existing quality of life programs into a framework that supports performance, readiness, recruiting, and retention.

The Army Reserve's well-being program consists of more than 30 elements. Our goal is to raise awareness and an understanding of the relevance of well-being and its impact on Soldiers, civilians, family members, and The Army. We are developing strategic communications that inform, educate, and engage each Army Reserve well-being constituent. The Deployment Cycle Support Program, the Army Reserve Family Program, Army Reserve Rear Detachment Operations, and "Welcome Home, Warrior" program are among the most significant of the initiatives that provide force generation support for deployed Soldiers and their families.

Deployment Cycle Support Program

The Deployment Cycle Support Program (DCS) supports all Soldiers and units undergoing reconstitution upon completing a deployment. It is a three-phase program. Phase 1 (redeployment) begins when the unit is released from its mission and reports to the rear assembly area in theater. Phase 2 (demobilization) involves five days of DCS/reintegration focus training at the facility from which the unit mobilized. Phase 3 (reconstitution) consists of a series of sustainment activities at home station.

Army Reserve units and individual Soldiers (including Individual Ready Reserve and Individual Augmentee Soldiers) will return to Reserve status as quickly as possible, consistent with mission accomplishment, achieving required levels of readiness, and the need to complete key DCS tasks.

The Army Reserve is developing a DCS assistance team to support the completion of reconstitution activities at home station. Part of this effort will include reinforcement of key information previously provided at demobilization stations (e.g., information regarding medical and dental entitlements, Veterans Administration services, Army Career and Alumni Program (ACAP) services, and family reunion workshops). We are developing a DCS program (tools and techniques) to ensure that our Soldiers complete all DCS elements, and ensure that they have full access to all services throughout their personal reintegration.

Army Reserve Family Program

Support to Army Reserve Soldiers and their families has been paramount to our senior leadership since the beginning of the Global War on Terror. The Army Reserve is committed to providing a full range of essential support and service to all Soldiers and their families. Many initiatives implemented since September 2001 continue to be refined as funding becomes available.

The Army Reserve has nearly 150 full-time and contract family program staff members providing essential services to Reserve Soldiers and their families. Services are provided through 10 regional readiness commands and 26 other general officer commands or separate units in the continental United States, the 7th Army Reserve Command in Europe, the 9th Regional Support Command in Hawaii, and United States Army Civil and Psychological Operations Command (Airborne).

Services provided by Family Program personnel include support and assistance to unit leadership. Training programs include the following:

—Fundamental and Developmental Family Program Academy (FPA). Fundamental training includes the basics that help establish and maintain a viable, functioning family readiness group at the unit level. Developmental FPA training builds on those basics and enhances the participants' capability to sustain and enhance unit family programs.

—Operation READY (Resources for Educating About Deployment and You) curriculum is a series of training modules, videotapes, and resource books published for the Army as resources for staff in training Army families affected by deployments.

—Chain of command training is designed to assist the personnel staff from the headquarters through the unit leadership in learning more about the scope of family programs within the Army Reserve.

—Deployment Cycle Support training provides instruction for unit personnel who assist and manage Soldiers and families during the mobilization, deployment, sustainment, and reunion phases of the deployment cycle.

—Mobilization/deployment and reunion briefings are provided by family program directors or coordinators at the unit level at the time mobilizations, deployments or reunions occur.

—Senior Volunteer Resource Instructor (SVRI) training provides initial and advanced training to volunteer instructors who represent the regional readiness command and Army Reserve.

—The Army Reserve provides direct support to families of Individual Ready Reserve and Individual Augmentation Soldiers. The staff contacts families by telephone within 48 hours of Soldier mobilization and follows up with additional information and points of contact. Assistance and support is currently being provided to 6,400 families.

Army Reserve Rear Detachment Operations (ARRDO)

The Army Reserve is reviewing its Rear Detachment Operations (ARRDO) procedures to identify systemic problems and develop solutions that update current guidance and outline the way ahead.

Inadequate information flow from forward command elements to rear detachment commanders, pay issues, and family support have surfaced as continuous challenges for Soldiers.

Given the magnitude and the unique nature of Army Reserve rear detachment operations, full-time support is critical to providing the stability to support current and future contingency operations.

Welcome Home Citizen—Warrior Program

This program is intended to ensure that each returning Citizen-Warrior understands that his contribution to accomplishing the mission and making the homeland more secure for all of our citizens is recognized and appreciated by the nation and The Army. The program is a vehicle for conveying public recognition and private gratitude that might otherwise slip by in the press of demobilization tasks and events and the rush to reunite families and friends. Each returning Soldier is presented with a shadow-boxed American flag, a Welcome Home, Warrior-Hero flag, a Soldier and spouse pin set, and a commemorative coin. The Soldier and family reactions at these award ceremonies, which are held within 30 days of the units' return to home station, have been overwhelmingly positive, and suggest that recognition effort is sincerely appreciated.

Medical Readiness and Medical Hold Improvements

The Army Reserve has listened to the concerns of all its Soldiers and their families, and we have sought ways to provide the best healthcare possible and improve administrative processes for Soldiers and their families—before, during, and after mobilization. Since combatant commanders need a force that is medically fit and ready, the Army Reserve has placed increasing stress on medical readiness.

During the alert phase, the 90 days of pre-mobilization TRICARE benefits authorized in the fiscal year 2004 National Defense Authorization Act (NDAA) and made permanent in the fiscal year 2005 NDAA is used to improve medical readiness of Army Reserve Soldiers. The Federal Strategic Health Alliance, also known as (FEDS–HEAL), is a huge success story for the Army Reserve. FEDS–HEAL is a joint venture between the Army Reserve and the Department of Health and Human Services. This unique program utilizes civilian medical and dental services across the United States to provide care to Army Reserve Soldiers in their neighborhoods. The program allows alerted Soldiers to receive required medical and dental services before they arrive at the mobilization site so they are medically ready to deploy with their units.

Because of its remarkable effectiveness, the FEDS–HEAL Program has expanded eightfold in the past four years, e.g., Army Reserve Soldiers received 47,500 dental exams; 20,600 physical exams; 58,100 immunizations; 3,600 eye exams; and 4,000 dental treatments through FEDS–HEAL in fiscal year 2004, a tremendous boost to Army Reserve medical readiness.

Mobilized Soldier Pay

One of the difficulties that Reserve Soldiers have had to deal with while mobilized and deployed is pay discrepancies. The Army Reserve has worked hard to find effective short- and long-term solutions to these problems and to improve pay processing for our troops and their families. Pay support for tens of thousands of Army Reserve Soldiers deployed worldwide was significantly improved during the past year. Major actions to improve pay support include:

—*Reserve Pay Training*.—The USAR Pay Center has assumed a vital role in training mobilizing USAR and ARNG finance units. Since April 2003, the Army Reserve pay inquiry team has answered over 23,000 pay inquires from mobilized Army Reserve Soldiers around the world.

—*Publications and Soldiers' Guides*.—The Army Reserve published the "Army Reserve Finance Guide for Mobilizing Soldiers" in October 2004, and officials at the U.S. Army Finance Command, in conjunction with the Defense Finance and Accounting Service (DFAS), the Army Reserve, and the Army National Guard, have recently published a finance mobilization/demobilization standard operating procedure manual that clearly defines the roles and responsibilities of the various pay offices involved throughout all phases of a Soldier's mobilization.

—*Automated Mob Pay Transactions*.—The Army Reserve has developed software applications to improve the timeliness and accuracy of mobilization pay. One application allows units to initiate mobilization pay and entitlements for Soldiers prior to their reporting to the mobilization station. Additionally, it reduces the amount of manual pay entitlement processing at the UPC and the mobilization station. We are also developing and testing software for the Forward Compatible Payroll system. DFAS is currently conducting software acceptance testing and an operational assessment. Once these tests are completed, three Army

Reserve units will be serviced in a field test. Current plans call for the rest of the Army to come on board by mid-summer 2005.

EQUIPPING THE FORCE

The Mother of Invention

The prolonged nature of the GWOT and the campaigns in Afghanistan and Iraq prompted our Army to adopt an expeditionary force structure that supports long-term military actions. Our Army's efforts to "modularize" its structure to achieve depth, flexibility, agility, and predictability testify to the necessity of such a change in strategies. Equipping the resultant expeditionary force requires no less effort or innovation.

One of the lessons learned in the first Gulf War, which has been strongly reinforced in the second, is that wars in the deserts of Southwest Asia are as hard on equipment as they are on Soldiers. Our ability to equip our forces adequately for a prolonged campaign has become a major factor in our ability to close that campaign successfully.

For the Army Reserve, this means profound and enduring change in the way we do business. Our previous equipping strategy no longer fits how we go to war. The Army Reserve faces several challenges in equipping—wartime losses, compatibility, modernization, and resources. To focus our attention on this critically important aspect of war fighting, we have designated 2005 as the "Year of Equipping" in the Army Reserve.

Everything is aimed at the units' in the expeditionary packages being able to deploy to support contingency operations. Such units must have priority of equipment fill when they deploy; however, as a result of the heavy equipment wear associated with desert operations, the use of stay-behind equipment, and other related issues, it is not possible for us to support full equipment issue for all of our units all of the time. Rather, we must intensively manage the equipping of our units not only in the theater of operations, but also during all of the stages of preparation and training leading to deployment to the theater. Using this staged process, we can ensure that each Soldier in each unit has the equipment he needs when he needs it.

We are losing equipment that has been destroyed in combat, and our aging inventory is wearing out under extremely heavy usage. The Army Materiel Command's projections from the theater indicate that battle losses and attrition will be as much as 12 percent of the equipment we sent to Iraq and Afghanistan. Additionally, to better equip incoming units, the Army has directed that a portion of Army Reserve equipment remain in theater as Stay-Behind Equipment (SBE). Wartime losses and SBE decrease equipment available for training for Army Reserve units preparing for deployment, homeland defense, or other contingency requirements.

Because the Army Reserve is 75 percent equipped to its authorized levels, and due to equipment losses, we must take extreme care of what we have available. Sustaining on-hand equipment is resource intensive and places great demand on Operations and Maintenance accounts. The Depot Maintenance Program is the Army Reserve's strategic sustainment base, and its only source to fully recondition, overhaul, and rebuild equipment to meet subsequent readiness requirements. Therefore, it is imperative that the Army Reserve maintain its current depot maintenance funding levels to meet mobilization equipment requirements, extend service life, reduce lifecycle costs, and improve safety for Army Reserve Soldiers.

The National Guard and Reserve Equipment Appropriation (NGREA) are essential to the Army Reserve equipping program and over the past five years has addressed a number of critical shortfalls. During that time, the Army Reserve has received an average of $35 million annually to procure additional equipment that would have been impossible to procure from our base budget. Although the Army Reserve received $40 million in NGREA funding for fiscal year 2005, an equipment shortfall totaling more than $1 billion still remains. We are continuing to work with Army and OSD leadership to resolve our equipping shortfalls, but additional congressional support remains the most viable solution.

New Equipping Strategy

The Army Reserve is actively working to help itself with equipment readiness. We have adopted an equipping strategy that is synchronized with the five-year AREF rotation cycle. As units progress through each year of the five-year cycle, their state of readiness increases incrementally. Units ready to deploy, are at the highest level of readiness (Year One). Units reconstituting from a deployment, are at the base level of readiness (Year Five). Units that are between reconstitution and deployment (Years Two-Four), receive the full complement of modernized equipment compatible

with AC. This will allow Army Reserve units to train with their go-to-war systems prior to mobilization and deployment.

The equipping strategy goes one step further by identifying the equipment for the individual Soldier training that is done in Year Five and for collective training in Years Two through Four. The Army Reserve will rotate this equipment on the five-year AREF cycle through its five training readiness platforms in California, Texas, Wisconsin, New Jersey, and Arkansas. In Year Four, units will draw minimum-essential-equipment-for-training sets, which they will use through Year One for individual training at home station. Our goal is to fully equip units going into a theater of operations.

There are two important benefits that result from applying these equipping strategies. First, reduce the need to cross-level equipment upon receipt of mobilization orders. Second, the Army Reserve will provide transformed units that are fully interoperable and integrated into the Army's modular framework.

The Army Reserve is also investing aggressively in Depot Maintenance and Cascading of equipment. In the Depot Maintenance Program, operated by Army Material Command, the Army Reserve is overhauling and rebuilding hundreds of aging tractors into the newer configuration. In the area of recapitalization, the Army has provided the funding to rebuild hundreds of Army Reserve High Mobility Multi-Purpose Vehicles, Heavy Expanded Mobility Tactical Trucks, and Heavy Equipment Transporter Systems.

Cascading, is the transfer of Active Army equipment to the Reserve components and is an essential method of equipping the Army Reserve. By cascading, we have integrated hundreds of tactical wheeled vehicles and almost a thousand M16A2 rifles into our inventory. We expect that the continued cascading of the newer model M16A2 rifles, coupled with NGREA funding, to eliminate the over 10,000 older, non-deployable, model M16A1 rifles still on-hand. Finally, the Army Reserve has initiated equipment conversion programs, such as the gas-to-diesel conversions we perform on generators, air compressors, and decontamination equipment. The conversion program allows us to be more interoperable with the Active force.

We are continuing to work with the Active Army and OSD leadership to resolve our equipping shortfalls, and we appreciate continued congressional support of our transformation efforts.

TRAINING THE FORCE

Cyclic Training

The term "cyclic" suggests how the Army Reserve will train and develop a sustainable force capable of supporting the Joint Force and Army requirements. Tied directly to the rotational structure of the Army Reserve Expeditionary Force (AREF), cyclic readiness will simultaneously establish priorities for resources, synchronized readiness levels, and provide predictable training and deployment time frames for Army Reserve Soldiers, families, and employers. Cyclic readiness reflects a dramatic change in the Army resulting from the Global War on Terror and renders many of the manning, equipping, modernization, and training models and policies of the past simply irrelevant.

Train-Alert-Deploy.—In the past the Army Reserve used a "tiered" system of readiness. The assumption was that the Army Reserve would have the time after being alerted to resource, train and deploy units when they were ready.

The strategic environment today does not afford us this luxury. The Army Reserve is not a supplemental force, but a force complementary to the Active Army. Thus, we must be ready to deploy whenever and wherever military forces are needed. Further, our force must be ready to deploy to support the combatant commander and also to perform homeland defense missions in support of civil authorities. Our forces must be ready to conduct their missions with very little time for pre-deployment training. Therefore, our readiness paradigm has changed from alert-train-deploy to train-alert-deploy. This means that we must start with a firm individual readiness base and devote the resources we have to training the Army Reserve Expeditionary Packages (AREPs) to ever higher states of collective readiness as they progress through each year of their five-year cycle. Our strategy is based on having a full array of combat support (CS) and combat service support (CSS) capabilities ready and available to the nation.

Readiness Assessment.—The readiness and training expectations for Army Reserve forces are the same as those for the Active component. While the standards are the same, the conditions under which the Army Reserve prepares for its missions are significantly different. The limited "train, alert, and deploy" training time for our Citizen-Soldiers competes with numerous priorities and must be used effectively and efficiently.

Leadership.—The Army Reserve is strengthening its leaders by executing the Army Reserve Leadership Campaign Plan. The future Army Reserve demands leaders who are self-aware, adaptable and agile, and life-long learners. The quality of Army Reserve leadership is the foundation for achieving Army Reserve readiness and relevance for the 21st century. Institutional leader development consists of officer, warrant officer, noncommissioned officer, civilian, and MILTECH training. The operational aspects of leader development occur in company-team leader and pre-command courses (battalion and brigade), battle staff simulation exercises, combat training center (CTC) or "CTC-like" events, and culminate in mission-rehearsal exercises. The self-development aspects of revitalized leader development include improved mentorship programs, a leader development assessment program that includes command climate surveys (also part of operational experiences), and use of Battle Command Knowledge System (BCKS) products.

Training Support.—The integrated training divisions (ITD) provide support to AREF leaders. These ITDs will provide full-spectrum support for individual through collective training. All Army Reserve organizations are transforming. Separate divisional forces that support training (training support and institutional training divisions) are becoming integrated training divisions, with some current institutional training division capabilities migrating to the 84th Army Reserve Readiness Training Command (ARRTC). ITDs provide specialty reclassification training as a part of the NCO educational system throughout the five-year AREF cycle. In addition, these elements provide skill reinforcement and refresher training through the use of mobile training teams that partner with ITD collective training support organizations. Collective training support elements consist of training exercise developers, trained and certified observer/controllers, and simulations support elements. The ITDs are multi-component organizations composed of Active component, Army National Guard, and Army Reserve personnel. Thus, the ITD includes a combination of combat arms, combat support, combat service support, and simulations skills capable of simultaneously supporting both post-mobilization validation (if required) as well as pre-mobilization training support during years two and three of the AREF cycle.

Army Reserve Installations are a vital part of training and deployment activities we continue to upgrade and modernize our four major installations—Fort Dix, NJ, Fort McCoy, WI, Fort Hunter-Liggett/Parks Reserve Forces Training Area, CA, and Fort Buchanan, PR. We are also partnering with the Army National Guard to provide mutual and accessible training areas and ranges for Reserve component units.

SHELTERING THE FORCE

More than Bricks and Mortar

Today, the Army Reserve owns and operates buildings and facilities in a thousand communities across the nation. Our Reserve centers are frequently the most visible evidence of the presence of our Citizen-Warriors in their communities. These Reserve centers (many of them joint centers, operated with the Reserve components of other services) are representative of our Soldiers and the federal government to members of the community at large. They speak of us and of our commitment to the national defense and our national interests.

Our training, storage, and maintenance facilities stand as reminders of the nobility of service and the duty that all citizens owe to their country. They reflect upon our Soldiers' commitment, dedication, and professionalism. We are judged to some degree at least on the public face that our facilities present to those who see them daily and who mark their fortunes by what they see. Citizens who see clean, well-maintained, and modern facilities judge their occupants by appearances and measure their occupants' professional competence, in part, by the impression that these facilities present. Attractive, adequate facilities raise our fellow citizens' trust and confidence in their Army and its Reserve components.

In a time when recruiting and retention are challenging our best efforts, these facilities can be a great advantage if they tell the right story and assure our Soldiers that their leaders are concerned about their surroundings and the facilities in which they work and train, daily, weekly, monthly, and often at their own expense. Good facilities reflect the nation's esteem and priorities and encourage good Soldiers to stay with the program and to recruit others to the mission that they have themselves undertaken and that is symbolized by the facilities in which they train. Modern, uncrowded facilities speak eloquently of the investment that the federal government has made in the competence, well-being, morale, and dedication of its Citizen-Warriors. Investment in new Reserve facilities and maintenance and restoration of existing facilities are more than bricks and mortar, they are strong and indisputable

evidence of the nation's recognition and gratitude, and the belle-weather of our commitment to our Citizen-Warriors who train and work within their walls.

The fiscal year 2006 budget request includes four new Reserve training centers and second phases for two others, as well as the first phase of an NCO academy and six training ranges. When complete, the Reserve centers will support over 2,700 Army Reserve Soldiers, and the training ranges will support over 130,000 Soldiers from all Army components and other services. These projects are currently under design and will be ready for award in fiscal year 2006. We can do more if we can do more.

READYING THE FORCE

The Cost of Readiness

A trained and ready Army Reserve is essential to the Army's ability to execute the national military and security strategies. Currently the Army Reserve is fully engaged in the Global War on Terror, meeting the needs of the combatant commanders, transforming, and preparing for future mobilizations. Over the past 39 months, the Army Reserve mobilized and deployed units at much higher personnel and equipping levels than authorized and resourced. All of this has not been without cost in resources and readiness.

—Army Reserve readiness requires adequate resources—specifically in Reserve Personnel, Army (RPA), Operations and Maintenance, Army Reserve (OMAR), and Other Procurement, Army (OPA) funding—to be fully operational, properly maintained, and mission capable.

—A large number of the Army Reserve's units will be required in follow-on rotations. In order to meet future requirements, the Army Reserve is working with the Active Army and OSD leadership to develop balanced, responsive, and effective strength management policies and programs.

—The Army Reserve needs support to modernize and re-equip its force in support of a modular Army engaged in the GWOT.

CONCLUSION

The Army Reserve is changing daily as it advances in the Global War on Terror. We face a battle with two fronts, each one feeding and feeding on, the other. The Global War on Terror drives us to rethink, reform, regenerate, and optimize our force so we can carry out our mission with greater efficiency and more effectively support the nation and the troops who are themselves supporting the same mission. Simultaneously, realigned, reset, and re-oriented, our Citizen-Warriors cycle through a progression of serial stages of preparation, mobilization, deployment, engagement, and regeneration in support of the same global campaign that precipitates the cycle. The military and political world of the 21st century has changed dramatically and exponentially in the past few years and the changes show no hint of slowing down. Your Army Reserve continues to perform its vital mission under Title 10, USC, providing trained, equipped, and ready individuals and forces to meet the nation's military needs. With the help of the Congress and our fellow citizens, we will continue to serve as an increasingly essential element of our Army and our nation.

Senator STEVENS. Thank you very much, and we welcome you. Would you tell me again your names and where did you serve?

General HELMLY. Sir, Captain Damon Martin—I am sorry. Captain Damon Garner and Sergeant First Class James Martin. I would ask them to stand at this time.

Senator STEVENS. Captain, where did you serve?

Captain GARNER. Iraq, sir.

Senator STEVENS. Very good. How long were you over there?

Captain GARNER. One year, sir.

Senator STEVENS. Sergeant.

Sergeant MARTIN. I have been in Schofield Barracks, Hawaii, sir, with the infantry, 25th Infantry Division. Also, presently I am with the 99th Region Readiness Command (RRC).

Senator STEVENS. Very good. Thank you very much for joining us here today. We appreciate it. These hearings are sort of difficult

when we have the Senate in session, but we are glad to have you visit. Thank you very much.

General Helmly, are you the first?

General HELMLY. Yes, sir.

Senator STEVENS. Admiral Cotton.

STATEMENT OF VICE ADMIRAL JOHN G. COTTON, CHIEF, NAVAL RESERVE, UNITED STATES NAVY

Admiral COTTON. Good morning, Mr. Chairman. Thanks for this opportunity to address everyone.

The Navy's Reserve component is more ready, responsive, and relevant than it has ever been. Last year when I appeared before this subcommittee I stressed Active-Reserve integration and especially alignment. I would like to say that has continued and I am very encouraged by the way that we have worked with Navy leadership. We have been blessed by two leaders who understand the total force and its importance, Secretary of the Navy Gordon England and of course our Chief of Naval Operations (CNO), Admiral Vern Clark.

We have over 23,000 reservists on orders right now providing operational support to the fleet, over 4,000 mobilized, with 3,000 in Central Command providing critical support to our operations there. We have worked together closely in the past year on all initiatives—BRAC, Quadrennial Defense Review, and our budgets. I am proud to say that we are acting as a team like never before.

I look forward to your questions, sir.

Senator STEVENS. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF VICE ADMIRAL JOHN G. COTTON

OPENING

Mr. Chairman and members of this subcommittee, thank you for the opportunity to speak with you today about some of the important changes that are happening in the Navy and its Reserve Force, and to give you a report on our accomplishments and current state of readiness.

Last year, Admiral Vern Clark challenged us with the statement, "Change to make us better is completely necessary—to make our Navy even better and to build the 21st century Navy, and the Reserve is a key part of our growth and our future." We have met this challenge and have attained dramatic improvements, changing our culture and the shape of the Force, moving away from an obsolete Cold War construct to one that provides the flexible capabilities needed to fight the unconventional threats of the 21st century.

You can't change culture with money; it takes leadership. I want to thank this distinguished panel for the leadership demonstrated in voting for the 2005 National Defense Authorization Act, which provided the legislative basis for the Secretary of the Navy to facilitate changing our name from the United States Naval Reserve to the United States Navy Reserve. We soon hope to have Presidential approval, and are in the process of complying with the provisions of the Act, including future submission of the required conforming legislation to Congress. Once we have become the U.S. Navy Reserve, the Chief of Naval Operations (CNO) intends to promulgate guidance to "drop the R," like the Marines did in 1997. Our great Sailors have always been in the Navy—they are the RE-serve component of the greatest Navy ever. The initials USNR, USNR–R, USNR TAR will no longer be used—we are all in the Navy. We will still have Reserve Component (RC) commissions and designators that put us in the right personnel categories, but we're in the Navy, ready and fully integrated. We might work just 2 or more days a month, but you cannot turn off the honor, courage and commitment that comes with being in the Navy 24/7/365, ready to serve.

Today's busy Navy Reservists have three missions. Their primary job revolves around increasing our Navy's warfighting capability. Periodic and predictable serv-

ice provided by our RC Sailors, in the right place, at the right time, with the right skill sets enhances the operational effectiveness of the supported command—affordably. Second, Reservists will be key players in homeland security and defense. By aligning our capabilities and shaping our force to support the missions of NORTHCOM, Reservists have the skills that will not only improve security at home, but will enable active forces to take the fight to the enemy and win the "away" game. Lastly, every Sailor acts as a service ambassador and recruiter in every town in America. The broad distribution of these Sailors provides a constant and visible reminder to citizens in every state, and especially in the Nation's heartland, that the Navy is on watch, providing them with unmatched capability in the maritime domain, as well as educating and calling our young people to serve our Nation. This affiliation with "Main Street USA" and the fabric of our Nation is something else that money can't buy, and is a mission that the Navy Reserve embraces.

MANPOWER

Our most important asset is, always has been, and forever will remain, our Sailors—our "Sea Warriors." Admiral Clark stresses the importance of continuously enabling and developing every Sailor, and has challenged the Navy to deliver a Human Capital Strategy (HCS) in 2005. This HCS theme will repeat throughout my statement.

The Navy's Total Force HCS will build upon last year's successes:

—Continue development of Active-Reserve Integration.
—Execute elimination of Naval Reserve "titles" and foster Active Component (AC) ownership of the RC elements in one Navy.
—Continue analysis of the functions and roles of the RC in the future Total Force.
—Complete the consolidation of Active-Reserve recruiting.
—Continue to identify and develop RC skills training and professional military education requirements for incorporation into Sea Warrior.

The Navy will deliver a HCS that is both mission and cost effective, while remaining "capability focused." Typically, when a 24/7/365 presence is required, the AC would provide the preponderance of the capability. When the requirement is periodic and predictable, the capability should be provided by an RC Sailor at about one-fifth the cost of their AC counterpart. When the requirement is best supported by specialized skills and long-term continuity, our civilian workforce provides the best fill. Finally, when time critical requirements are identified that fall beyond the scope of Navy skill sets, then contractors should be utilized to fill the need pending development of the capability or for the duration of a short-term requirement. Presence, predictability, periodicity and skill sets determine work division, not arbitrary lines drawn between components.

The Navy HCS is already demonstrating "value added" in that Navy requirements are met with RC capabilities, no longer simply a matter of "mobilization numbers." Historically, effectiveness of the RC has been measured by the number of personnel mobilized and on active duty. More than 28,000 Navy Reservists have been mobilized since 9/11, and nearly 12,000 served on active duty during the peak of OIF in May 2003. However, the mobilization metric falls far short of measuring the work being done by Reservists each and every day. On any given day, over 20,000 REservists are on some type of orders, providing fully integrated operational support to their AC and joint commands, both at home and overseas. This contribution is extremely valuable and represents a significant return on "sunk" training costs, enabling mature, seasoned and capable veterans to surge to Fleet requirements. The judicious use of operational support enables the Navy RC to meet surge requirements short of mobilization, while providing enhanced "volunteerism" options for our Sailors. Thus, operational support provides full spectrum access to RC capabilities, which are more relevant than ever.

The greater readiness provided by full spectrum access is evident by the effective and judicious use of our "high demand, low density" units and individual augmentee skill sets. A prime example is demonstrated daily by the Navy Reserve Intelligence Program, which is fully integrated into all Fleet operations. These highly skilled professionals face increased Global War on Terrorism (GWOT) demands not only from the Navy but also from every Combatant Commander (COCOM). Navy leadership is utilizing Intelligence Reservists daily with inactive duty drills and annual training, active duty for training, and active duty for special work, and mobilization to provide consistent, high quality support to joint operating forces. More than 1,700 Sailors have been mobilized since 9/11, representing over 40 percent of the Intelligence program's nearly 4,000 Reservists, in support of 117 Navy and Joint Com-

mands in 150 different locations worldwide, providing real-time operational support to senior decision makers and commanders in the field.

The roles and missions of these professionals have been wide ranging. RC targeting officers have augmented every Carrier Air Wing deployed for Operations ENDURING FREEDOM and IRAQI FREEDOM since 9/11. Interrogators at Guantanamo Bay and elsewhere have obtained information leading to the breakup of global terror cells. They have deployed with Navy SEAL teams, augmented combat staffs aboard ships, stood counterterrorism watches, supported Joint Task Forces, and captured foreign materiel. Also, the effective use of Joint Reserve Intelligence Centers (JRICs) since 9/11 has added a new tool for deployed warfighters in all COCOMs.

While most mobilized Reserve Intelligence professionals have reported to their supported Joint and Navy Commands, over 13 percent have been mobilized to 27 JRICs located throughout the country. They are an example of an evolving reach-back capability that directly supports forward operations and represents one more step in the Navy's progress toward a net-centric future. Intelligence Reservists averaged over 80 days of active duty per person each year since 9/11. This high RC personnel tempo is an excellent example of the immense value added by these Sailors, largely through "volunteerism."

CURRENT READINESS

Global War On Terrorism

Navy Reservists are performing superbly in many important GWOT roles. To date, 19 of our RC Sailors have made the ultimate sacrifice while deployed in support of current operations, with many more suffering serious injuries. On July 11, 2004, I had the distinct privilege of presenting the Purple Heart Medal to 16 Seabees from Naval Mobile Construction Battalion (NMCB) 14, in Jacksonville, FL. A total of 7 Sailors were killed and 19 were wounded in attacks on April 30 and May 2, 2004 while mobilized in support of OIF. The loss of these brave Americans underscores the honor, courage and commitment that drive our Nation's Reservists, and the willingness of citizen Sailors to make tremendous sacrifices for not only our freedom, but also for our coalition partners.

Perhaps the biggest challenge involves the anticipated GWOT demand for Navy Reservists to support land-based missions in CENTCOM. The Secretary of Defense has directed Navy to take a close look at the combat service support missions, and we are leaning forward to aggressively plan our engagement strategies. The GWOT presents new and dynamic challenges to our Navy and our Nation, and will require a flexible Navy Reserve capable of supporting non-traditional missions.

One way we are meeting this challenge is to develop a customs inspection capability to support deployed forces. Over 450 SELRES and volunteers from the Individual Ready Reserve (IRR) were screened and selected for this new mission. Mobilized Sailors reported to the Naval Expeditionary Logistics Support Force HQ in Williamsburg, VA, in early December 2004 for outfitting and training, which included Customs Inspector certification and expeditionary warfighting skills. Subsequently, they deployed to Kuwait in late January 2005 for turnover with Air Force personnel.

Additionally, Navy has assumed the responsibility for managing the detainee program at Guantanamo Bay, Cuba. AC and RC have blended qualified personnel as needed to enhance the security force.

Mobilized Navy "Seabees" have continuously deployed in support of CENTCOM operations. Over 40 percent of the Seabee force has been mobilized since 9/11, providing critical combat construction support to forces in Iraq and Kuwait. Navy construction forces rely heavily upon RC Sailors, bringing critical civilian skill sets, maturity and experience to the mission.

In January 2004, Navy Expeditionary Logistics Support Force mobilized more than 525 Sailors from four of its Cargo Handling and Supply Support Battalions, who relieved and augmented a variety of Army and Marine Corps logistics units. These Navy Reserve cargo handlers (stevedores, fuels and mail) are working with the Army to provide critical combat support to Soldiers and Marines in Iraq and Kuwait in support of Operation IRAQI FREEDOM. Subsequently, additional Sailors have been mobilized and have relieved these forces in theater.

In March 2003, the Navy deployed Helicopter Combat Support Special Squadron Five (HCS 5) to Iraq to provide a key capability in support of active ground forces in OIF. Maintaining a high operational tempo, HCS 5 supported the Joint Special Operations Aviation Command, flying combat missions against the enemy. One year later, HCS 5 was relieved by her sister squadron, HCS 4, who remains in theater to date. These two RE-serve squadrons represent 50 percent of Navy's helicopter combat support capability.

The Navy Reserve will expand its role in combat service support. Our dedicated Reservists will be placed into training pipelines for up to 4 months to develop and hone special skill sets and combat capabilities needed to support the GWOT. These Sailors will then go forward, "boots on ground" with the Army. When they return, we will establish Joint Provisional Units to house these unique skill sets, where Reservists will remain on "hot standby" for consequence management in support of NORTHCOM Homeland Defense requirements.

Homeland Defense

"We the People" are all joined in a common interest, homeland defense. Only a few times in our history has the enemy brought the fight to our country. Declaring independence in 1776, we defeated the British twice in a span of nearly 40 years. No one can forget the "Day of Infamy" at Pearl Harbor on December 7, 1941, nor will anyone soon forget the events of 9/11, 3 short years ago, in New York City, at the Pentagon, and in a field in Pennsylvania. We are now engaged in the GWOT, another long war to preserve our way of life. We must win this "away" game to ensure that it never again becomes another "home" game.

While most Reserve Sailors are compensated for only a few days each month, they are in the Navy 24/7/365, selflessly serving their Nation with honor, courage and commitment. As the President instructed them 3 years ago, they stand fully ready—they are the new minutemen in the same tradition as those who stood on the Commons in Lexington and at the North Bridge in Concord, Massachusetts. As veterans, they provide military experience and capabilities as well as a myriad of civilian skill sets critical to the support of Sea Power 21, ready to quickly surge to any global crisis and respond to disasters at home. Reserve Sailors live in every state and will become more regionally aligned with NORTHCOM as the Nation develops its Homeland Defense strategy. We are ready to answer the call, as Americans have done for 229 years. The CNO recently stated, "I am convinced that responsibility for Maritime Domain Awareness (MDA) should rest first and foremost with the United States Coast Guard. I am also convinced that there is a role for the United States Navy to play in response and in support of the Coast Guard, bringing our resources to bear wherever they are required."

The Navy is partnering with the Coast Guard because we share a common interest in defending our Nation's maritime approaches. When a ship comes near our coastlines, we need to know where it is going and what cargo it is carrying. MDA is the effective understanding of all elements of the global maritime environment that could impact the security, safety, economy or environment of the United States.

Significant roles will be played by several combatant commanders, NORTHCOM, SOUTHCOM, STRATCOM, and many other Federal and State Departments. PACOM, EUCOM and CENTCOM will also contribute to MDA if we are to be successful in countering threats far from our shores. Efforts by the Department of Defense and Department of Homeland Security to make MDA truly an interagency effort are just beginning, and the Navy Reserve has tremendous potential to join other major stakeholders in providing workable solutions to ensure a more cost effective MDA strategy.

In November 2004, Admiral Tim Keating assumed command of NORTHCOM. In developing MDA, his staff will be utilizing lessons learned from many years of successful North American Air Defense operations that have monitored all air traffic in U.S. airspace. Navy Reservists stand ready to augment the MDA staff with personnel from the Space Warfare Command, Intelligence, Naval Control and Guidance of Shipping, Tactical Support Center, Mobile Inshore Undersea Warfare (MIUW), Military Sealift Command, Naval Air Force Reserve, and Distributed Common Ground System-Navy (DCGS–N) units.

NORTHCOM is planning to stand up a Joint Reserve Unit with Intelligence community watch standers and analysts that will conduct port security surveys while working with the Coast Guard's Joint Harbor Operation/Maritime Operations Centers. The Navy Reserve will fully support this new capability.

One capability central to Homeland Defense (HLD) is provided by Navy Coastal Warfare (NCW), whose mission is to provide surface and subsurface surveillance in littoral areas throughout the world. Secondary missions include command, control and communications functions. Navy Reserve MIUW units and Inshore Boat Units have, until recently, provided the sole capability for this mission within the Navy. Due to the "high-demand/low-density" mission and structure, the Navy has established eight AC NCW units, under the operational control of the newly established Maritime Force Protection Command to aid in force protection missions. This vital capability will now be provided by a mixture of AC and RC forces, once again aptly demonstrating the ability of the Navy Reserve Force to serve as a test bed for new

capabilities and as an enabler for transitioning validated capabilities to the AC when required.

The Navy has, in fact, already begun joint experimentation with the Coast Guard, exploring new situational awareness systems, and plans are being formulated to provide demonstrations later this year. One such system, a littoral version of DCGS–N, was provided to the Navy by the Congress over the past few years. DCGS–N merges intelligence, surveillance, reconnaissance, targeting, mission planning, and situational-awareness functions into a web-enabled, net-centric, Joint-interoperable architecture. This invaluable capability, long the province of Strike Groups and major ground combat units, will soon demonstrate its potential value in supporting MDA.

Another potential Homeland Defense capability is being demonstrated by Operation VIGILANT MARINER. Embarked Security Teams (EST) will provide security augmentation to Military Sealift Command/Ready Reserve Fleet/Contract Carrier ships to detect, deter and defend against waterborne and land-based terrorist attacks. The initial teams will be composed of AC Sailors, with RC EST's providing ready surge capability for global operations. These RC EST's will also be able to perform CONUS-based force protection missions either in civilian ports or as an augmentation force to Navy installations and shore facilities requiring extra protection.

To effectively support Homeland Defense initiatives, every state should have a Joint Headquarters, manned by personnel from each of the seven Reserve Components. While the National Guard will focus on states, the Navy will focus on regions as part of Commander, Navy Installations' ongoing alignment initiative. When we respond to a crisis, we will do so under a regional construct, surging both AC and RC Sailors to assist with threats. As we continue to develop this concept, we will work closely with the National Guard Bureau and other agencies. This structure further aligns our organizations to provide enhanced support and coordination by having citizen Sailors protect their home regions.

FUTURE READINESS

The Navy is taking ownership of its RC. Some specialized communities, such as Public Affairs, now direct the entire personnel selection and processing system, and are detailing Reservists to supported commands. This is exactly how all RC assignments will be done in the future, leveraging experience, demographics, special skill sets and desire to serve in operational units and perform operational mission support.

The future detailing of our Reservists will incorporate a Sea Warrior initiative known as the Career Management System. This self-service, web-based tool will provide every Sailor visibility into all available Navy billets. It will also provide the necessary details, including job description, required competencies, unit location and special requirements, so that our Sailors can apply for jobs that best fit their career plans while meeting the needs of the Navy.

In 2003, we began another very productive initiative to enable Navy leadership to view RC readiness information through the Type Commander Readiness Management System (TRMS). We created an innovative module called the Navy Reserve Readiness Module that links numerous databases, including the Medical Readiness Reporting System (MRRS), the Navy Reserve Order Writing System (NROWS), the Reserve Headquarters System (RHS), and the Navy Marine Corps Mobilization Processing System (NMCMPS).

Decision makers and force providers can use this system on any desktop computer to drill down through every region, every Reserve Activity, every unit, down to the individual Sailor. This easy-to-use system has greatly improved readiness and will allow the AC to better match resources to requirements, identify gaps, and provide focused training to close those gaps. AC ownership of, and responsibility for, the readiness of its assigned Reservists is the objective. This is a significant shift in culture that will greatly improve the readiness and effectiveness of the Total Force.

A major thrust over the past year has been the improvement of the Navy Reserve's enterprise efficiency while enhancing operational effectiveness. Knowledge Management (KM) methodology has been the driver of this effort, and the Navy Reserve is leading the way. KM has been applied across the enterprise, resulting in better organizational alignment with the AC, better understanding of Navy requirements for its RC, and development of quicker response mechanisms that will better support the Joint Force. KM focuses our efforts on readiness, and helps us get the most "bang for the buck" in terms of operational availability and speed of response.

QUALITY OF SERVICE

The Secretary of Defense instituted a force structure planning goal of limiting the involuntary mobilization of Reservists to 1 year out of every 6. When Reservists deploy to support the war, they want to know three things: "when, where, and for how long?" They are ready to serve, and while deployed deserve the same pay and benefits earned by AC personnel. The Department of Defense is working toward a common pay and benefits system for personnel from all components, Active, Guard and Reserve, which will support the Navy's efforts to properly support Sailors, whether mobilized or performing operational support.

Additionally, the Navy's HCS is validating the requirement for different levels of RC participation. Today, about one-third of our Force participates at the traditional level of 38 days per year of inactive duty drills and annual training. Another one-third operates at an increased level of participation between 38 and 100 days per year. The remaining one-third is able to serve in excess of 100 days per year, with some being able to recall for years. Given a continued demand signal for all of these levels of participation, innovative methods to predict and budget for requirements will have to be developed by resource sponsors. The result will be a much more integrated Total Force and greatly enhanced full spectrum RC operational support.

One of our efforts to improve the delivery of support across the "capability spectrum" is the consolidation of the RC MILPERS appropriation budget activity structure. The current "two budget activity" structure of RC MILPERS appropriations, as set up over 20 years ago, is outmoded, cumbersome and not adequately responsive for 21st century budget execution. It leads to inefficiencies in the Department's administration of funds, creates unnecessary budget execution uncertainties, and can result in the receipt of unexpended funds so late in the year that their effective use is minimized.

Combining the two RC MILPERS budget activities, BA1 and BA2, into a single budget activity within the RC appropriation is a sensible adjustment which enables more efficient use of resources, permits sufficient continued oversight of budget execution, and supports the Secretary's desire to transform and improve financial processes.

The Navy Reserve's fiscal year 2006 budget submission accounts for this consolidation and has been fully approved and supported by the Department of Defense. This initiative will have a dramatic impact on our ability to provide full spectrum operational support, as well as improve our Sailors' quality of service through the ability to tailor their orders to actual requirements. This also furthers our ability to leverage the 2005 National Defense Authorization Act authority to have up to 6200 Sailors performing full time operational support for up to three out of 4 years, a very welcome change in policy that enhances our ability to surge to GWOT requirements.

The timeliness and way that information flows to the Reserve Force is one of our biggest challenges in ensuring Quality of Service. The degree to which we effectively communicate significantly impacts our level of success. We have created several forums for communicating Navy priorities, key leadership messages, relevant news, and opportunities to and from the field, and they have proven to be very effective. We host a bi-weekly briefing by video teleconference to inform the Force and solicit input from every echelon. We established an e-mail communication protocol through the Public Affairs office to electronically distribute information to more than 5,000 key Navy Reservists and Department of Defense personnel. Our award-winning magazine, The Navy Reservist, is mailed monthly to every Navy Reservist's home (over 80,000 individuals and their families). The flow of information enables us to quickly identify issues and opportunities and to target the proper audiences for action. The speed of actionable information has greatly increased as we build the Navy of the future.

Most critical to our success remains the important roles of our families and employers in supporting our Sailors. Our families enable us to go forward with love and support, and our employers guarantee our jobs when we return, often with additional benefits as their much appreciated contributions to the cause. We all serve together and cannot win the GWOT without the many tremendous sacrifices Americans make for national defense.

In the past year, we have worked to strengthen the already very effective Employer Support of the Guard and Reserve (ESGR) program. For the first time since the 1994 Uniformed Services Employment and Reemployment Rights Act (USERRA) was passed, the Department of Labor has published regulations to enhance understanding and assist in the enforcement of this landmark legislation. Never before have our Nation's employers played such a critical role in our National Defense, with many providing benefits far beyond the USERRA requirements. We should

continue to look for opportunities to further incentivize and partner with employers who do so much to care for our Reservists.

ALIGNMENT

Through ongoing transformation, the Navy is accelerating the Nation's warfighting advantage. Admiral Clark has detailed the "state of the Navy" more fully in his testimony, but several initiatives will have a direct and positive impact on the Navy Reserve, the most significant being Active-Reserve Integration (ARI). ARI is more than a "bumper sticker" . . . it is a key component of the evolving HCS. The key step in achieving ARI is to determine what the AC requires its RC to do, as well as how and when to surge Reservists. Accordingly, Admiral Clark tasked Fleet Forces Command to conduct a review of all RC capabilities, and in August 2004 approved the results. This "Zero-Based Review" (ZBR) laid the groundwork for a more integrated and aligned Total Force in which RC capabilities directly support SEAPOWER 21.

The ZBR systematically studied gaps in AC capabilities that could or should be filled by the RC. Cost and risk values were assigned to each validated RC capability relative to the AC mission to enable leadership to make informed decisions regarding appropriate levels of investment. The result was a blend of existing and new capabilities, while others were recommended for realignment or divestment. The review acknowledged two essential types of support the AC will receive from the RC: (1) units that stand up when required to provide a specific capability, and (2) individuals or portions of units that can augment existing active commands. Validated capabilities are designed to increase the warfighting wholeness of the Navy, and represent "what the AC needs to have," not just what is "nice to have."

We have changed the way we assess ourselves, as well as the way we train in support of the Fleet Response Plan (FRP). We are transitioning to a capabilities-based Force driven by Navy requirements. The ZBR inventoried the RC against sixty-one capabilities and "mapped" them to Navy mission areas. Every billet and every unit was examined for both surge and operational support value. We are synchronizing data to enable us to plan and act as "One Navy." The results of the assessment are included in the OPNAV programming, budgeting and execution system, partnering resources to provide better support to the warfighters.

One of the most significant outcomes of the initial ZBR is that in fiscal year 2006, the Navy Reserve will reduce end strength by 10,300 Sailors. To execute the FRP, Navy Active and Reserve Components have accelerated their alignment, synchronizing their efforts to become a more effective and efficient warfighting team. This is a "win-win" scenario for the Navy and the taxpayer, reflecting not a reduction in capabilities, but rather capabilities more effectively and much more efficiently delivered!

We are expending significant effort to ensure effective RC management as well. AC and RC manpower experts are partnering to conduct a Full Time Support program "Flag Pole Study" to determine the most effective and efficient manner to structure and allocate our RC management personnel across Navy Reserve Activities and in Fleet commands.

Another key element of our Full Time Support program is our civilian employees. Over 100 civilian employees assigned to Commander, Navy Reserve Forces Command and the Office of the Chief of Navy Reserve will be among the first Navy employees to be administered under the new National Security Personnel System (NSPS). July 2005 transition activities will be preceded by on-line and class room training for all affected civilian employees and their supervisors (both civilian and military). This initial group represents approximately one-quarter of the Navy Reserve's civilian employee population.

Another component of ARI is the alignment of RC infrastructure. Commander, Naval Installations (CNI), the Navy's landlord, now includes every Navy Reserve activity in its regions for better processing of service and support requests. There are no longer any Navy Reserve Bases, only Navy Bases with different human capital strategies, and we're all working together to support the Fleet.

We can no longer think of ourselves as separate Reserve activities in every state. We must integrate as part of Navy Regions. We hope to never build another Navy-Marine Corps Reserve Center, but will instead build only modern Armed Forces Reserve Centers or Joint Operational Support Centers that will promote joint operations, enhance interoperability and significantly reduce overhead costs. We will train jointly at home to deploy and fight jointly overseas.

One significant alignment success story that has resulted in achievement of major efficiencies is the Navy Recruiting mission. The former Navy Reserve Recruiting Command has merged with Navy Recruiting Command to provide a seamless re-

cruiting organization capable of providing all service options to potential Navy Sailors. Not a mere name change, RC recruiters and staff are serving alongside their AC counterparts. Some of our Navy Recruiting Districts are commanded by Full Time Support Officers. We also have senior enlisted FTS Career Recruiter Force personnel serving as NRD Chief Recruiters. Total Force recruiting epitomizes a truly customer-oriented focus, where a potential Sailor is exposed to every option for service in the Navy. Every career consideration and every possible enlistment incentive is now tailored to the needs of the individual. Our ultimate goal is to recruit 100 percent of the qualified applicants that "cross the brow" and retain 100 percent of the Sailors with viable career options in the Navy, whether AC or RC.

Our vision continues to be support to the Fleet, ready and fully integrated. The RC provides predictable and periodic surge support in the FRP, and has been very effectively integrated into all capabilities in the Navy's operating forces. The Navy is getting slightly smaller, but much more effective, providing increased warfighting wholeness and a much better return on investment.

SUMMARY

Navy RE-servists provide worldwide operational support and we are proud of our many accomplishments since 9/11. We continue to push for further integration and alignment within the Navy, while surging with greater speed, flexibility and responsiveness than ever before. Our dedicated Sailors provide the key to future success. During Operation ENDURING FREEDOM, a deployed combatant ship Commanding Officer said, "People ask me if I'm worried about the youth of America today. I tell em not at all, because I see the very best of them every day."

Navy Reserve leadership agrees. Our Sailors have never been so capable and committed. Their honor, courage and commitment make our profession the most highly respected profession in the United States today and our Navy the most admired around the world. We could not be more proud of the effort they put forth and the results they have achieved over the past year. We are looking forward to even greater success as our alignment efforts progress and many new initiatives mature and become adopted by the Fleet.

In closing, I would like to thank this committee for the support you have provided the Navy Reserve and all of the Guard and Reserve components. The 2005 National Defense Authorization Act provided several significant, positive benefits that will help us recruit and retain our talented Sailors to better support the Navy and Joint commands. As you can see, this is a very exciting period for the Navy and the Navy Reserve. The CNO has challenged every Sailor to review current ways of doing business and suggest solutions that will improve effectiveness and find efficiencies. The Navy Reserve has accepted that challenge and promises the members of this committee that we will continue to do just that—examine every facet of our operation, to support the fleet, and to accelerate our Navy's advantages while providing the best value to the American taxpayer.

Senator STEVENS. General McCarthy.

STATEMENT OF LIEUTENANT GENERAL DENNIS M. McCARTHY, COMMANDER, MARINE FORCES RESERVE, UNITED STATES MARINE CORPS RESERVE

General MCCARTHY. Mr. Chairman, good morning. Like my colleagues, it is an honor for me to appear. As you have noted, this will be the last time I appear, at least in uniform. I hope to remain engaged in these issues.

But I am here on behalf of the men and women of the Marine Corps Reserve and I am extraordinarily proud of what they have done. We have mobilized over 95 percent of the Marine Corps Reserve units; 98 percent of those we have mobilized have served in combat, either in Iraq or Afghanistan. We have sustained, unfortunately, a share of casualties, but, as you have heard, they, like their counterparts in the Army and the Navy and the Air Force, have served shoulder to shoulder with the active component and have done so with great distinction.

Our recruiting remains strong. Where our ranks are filled we are making our recruiting numbers. Our retention numbers are slight-

ly above the historic average. I believe that is because of, not in spite of, the service that they have been called upon to perform. The kind of men and women that we have recruited seek service and they seek an opportunity to serve in combat, and they have had that opportunity.

What I owe them as their commander is to continue to ensure that they can train and be appropriately equipped, so that when they are called upon the next time they can return to service. The only way we will retain the right kind of people, the only way we will recruit the right kind of people, is to provide them with an opportunity to serve in combat-ready units. So that is our effort and we are very appreciative of what the committee and the Senate, the Congress, have done to enable us, and we hope for your continued support.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL DENNIS M. MCCARTHY

INTRODUCTION

Chairman Stevens, Senator Inouye and distinguished members of the Committee, it is my honor to report to you on the state of your Marine Corps Reserve as a partner in the Navy-Marine Corps team. Your Marine Corps Reserve continues to be "Ready, Willing, and Able." We remain firmly committed to warfighting excellence. The support of Congress and the American people has been indispensable to our success in the Global War on Terrorism. Your sustained commitment to care for and improve our Nation's armed forces in order to meet today's challenges, as well as those of tomorrow, is vital to our battlefield success. On behalf of all Marines and their families, I would like to take this opportunity to thank Congress and this committee for your continued support.

YOUR MARINE CORPS RESERVE TODAY

The last 4 years have demonstrated the Marine Corps Reserve is truly a full partner of the Total Force Marine Corps. I have been the Commander of Marine Forces Reserve since June 2, 2001 and as I prepare for retirement this summer, I can assure you the Marine Corps Reserve still remains totally committed to continuing the rapid and efficient activation of combat-ready ground, air, and logistics units to augment and reinforce the active component in the Global War on Terrorism. Marine Corps Reserve units, Individual Ready Reserve (IRR) Marines, Individual Mobilization Augmentees (IMAs), and Retired Marines fill critical requirements in our Nation's defense and are deployed worldwide in Iraq, Afghanistan, Georgian Republic, Djibouti, Kuwait, and the U.S., supporting all aspects of the Global War on Terrorism.

"Train, Activate, Deploy" has always been a foundation of the Marine Corps Reserve. Following that foundation, your Reserve is maintained as a pre-trained, balanced and sustainable force capable of rapid deployment into a combat environment.

Reserve Marines continuously train to maintain high levels of combat readiness. Because we currently have the luxury of scheduled rotations, we utilize a 48-day activate to deploy schedule. A demanding Mobilization and Operational Readiness Deployment Test program eliminates the need for post activation certification upon activation. The 48-day schedule includes a 9-day Security and Stability Operations training package and completes the preparations for the Marine Reserve unit to deploy. The impact of the "Train, Activate, Deploy" foundation is the seamless integration with the Gaining Force Commander of a combat capable active duty Marine unit.

Your Marine Corps Reserve is pre-trained-able to activate, spin-up, deploy, redeploy, take leave and deactivate all within 12 months. Twelve-month activations with a 7-month deployment have helped sustain the Reserve force and contributed to the regeneration of our units. In so doing, the Reserves follow the same 7-month deployment policy as our active forces. This activation/deployment construct has allowed the Marine Corps to maximize management of the Reserve force, maintain unit in-

tegrity, and lessen the burden on Marine Corps families by maintaining predictable deployments while allowing adequate dwell time between unit deployments.

As of early March 2005, over 13,000 Reserve Marines were activated in support of Operation Enduring Freedom, Operation Iraqi Freedom and Horn of Africa operations. Of these Marines, approximately 11,500 were serving in combat-proven ground, aviation and service support units led by Reserve Marine officers and noncommissioned officers. The remaining 1,600 Reserve Marines were serving as individual augments in support of Combatant Commanders, the Joint Staff and the Marine Corps. Since September 11, 2001, the Marine Corps has activated over 36,000 Reserve Marines, and more than 95 percent of all Marine Forces Reserve units.

The Global War on Terrorism highlights our need to remain flexible and adaptive as a force. During the aftermath of 9/11 and the commencement of the Global War on Terrorism, the Marine Corps Reserve was the force the Marine Corps needed. As new war fighting requirements have emerged, we have adapted our units and personnel to meet them, such as with the rapid formation of security forces from existing units, or the creation of provisional Civil Affairs Groups. We reviewed our Total Force Structure during 2004, and laid the blueprint for refining the force from 2005 to 2006. In the coming years, the Marine Corps Reserve will be increasing intelligence, security, civil affairs, mortuary affairs and light armored reconnaissance capabilities, while we pare down some of our heavier, less required capabilities, such as tanks and artillery. However, we are adjusting less than 8 percent of Reserve end strength to support these new capabilities required for the war on terrorism. By reassessing and fine-tuning our Reserve Force, we are enhancing our ability to provide required war fighting capabilities. Although adjusted, the Reserve Force will continue to provide a strong Marine Corps presence in our communities.

Your Marine Corps Reserve continues to prove we are "Ready, Willing and Able" to accomplish our primary mission of augmenting and reinforcing the active component with fully trained, combat capable Marines.

RETURN ON INVESTMENT

The Marine Corps is committed to and confident in the Total Force Concept as evidenced by the overwhelming success of Marine Reserve units serving in support of the Global War on Terrorism. Activated Marine Reserve units and individuals are seamlessly integrating into forward deployed Marine Expeditionary Forces and regularly demonstrate their combat effectiveness. The recent efforts of your Reserve Marines are best illustrated in the following examples of a few of the many Reserve units supporting the war effort:

Force Units

Fourth Civil Affairs Group (4th CAG), commanded by Col. John R. Ballard USMCR, a professor at the Naval War College, and assisted by his senior enlisted advisor, Sgt. Maj. Joseph A. Staudt, a construction appraiser and project manager, was instrumental in rebuilding communities from the ground up in the Al Anbar Province of Iraq. They assisted in everything from recreating the infrastructure for a city or town, to clearing unexploded ordinance and equipment left by the Iraqi army from school buildings. Fourth CAG was instrumental in projects such as supporting local elections in Fallujah and assisting the Iraqis in reopening schools in Al Kut. Just last month, 4th CAG ended its tour of duty in Iraq and were replaced by 5th Civil Affairs Group (5th CAG), commanded by Col. Steve McKinley USMCR, a retired bonds salesman from Wachovia, with the assistance of Sgt. Maj. John A. Ellis, a Baltimore fireman.

Fourth Marine Division

First Battalion, 23d Marines (1/23), under the command of Lt. Col. Gregory D. Stevens USMCR, a building contractor in southern California, supported by his senior enlisted advisor, Sgt. Maj. David A. Miller, a military academy instructor, were the first to enter and assess the threat in Hit, Iraq last year and won decisive battles with insurgents in that city. Sgt. Herbert B. Hancock, a sniper from 1/23 was credited with the longest confirmed kill in Iraq during the battle for Fallujah, taking out insurgent mortarmen from a distance of over 1,000 yards. From October 2004 to January 2005, the Mobile Assault Platoons of 1/23 patrolled the supply routes around the Haditha Dam area in Iraq. With the aid of long-range optics, night vision and thermal imaging scopes, they vigilantly watched day and night for insurgent activity, while remaining unobserved. During their last month in Iraq, the efforts of the Mobile Assault Platoons caused an 85 percent decrease in the total number of mines and IEDs utilized in the Haditha Dam area.

Second Battalion, 24th Marines, commanded by Lt. Col. Mark A. Smith USMCR, an Indiana state policeman, with Sgt. Maj. Garry L. Payne, a business owner, as

his senior enlisted advisor, supported the 24th Marine Expeditionary Unit (24th MEU) by bringing a measure of security to northern Babil Province. Marines with law-enforcement background were so common in the battalion that even the smallest units boasted of having a few police officers. Many law-enforcement strategies and tactics employed in the Chicago area were mimicked in Iraq such as executing raids, handling heavy traffic jams and conducting crime scene analysis. The battalion even used police procedures in its intelligence battle, comparing anti-Iraqi forces to criminals back home. As Chief Warrant Officer-5 Jim M. Roussell, an intelligence officer and 28-year veteran of the Chicago Police Department stated, "There are a lot of similarities between street gangs and the guys we're fighting out here." Working alongside Iraqi security forces, the Marines rounded up nearly 900 criminals, thugs and terrorists and seized more than 75,000 munitions to make the local area safer for the Iraqi residents.

Fourth Force Service Support Group

Throughout my tenure as Commander, Marine Forces Reserve, I have made repeated visits to Marines serving abroad. During a recent trip to Iraq with my senior enlisted advisor, Sgt. Maj. Robin W. Dixon, I visited our Marines from Fourth Force Service Support Group (4th FSSG) who were serving with 1st FSSG. I can confidently state that the Reserve Marines were fully integrated with 1st FSSG and were meeting all the challenges to ensure Marines throughout Iraq had everything from food and medicine to mail and ammunition. They willingly braved dangerous roads filled with IEDs to ensure supplies arrive at their destination. Our Marines on the front lines can execute their tasks superbly because their needs back at the base camp are all being met by the FSSG Marines. From refueling to performing major overhauls on vehicles, to moving the fuel and materials of war from the rear to the front, to distributing "beans, bullets, and bandages"—the FSSG takes care of all the needs of their fellow Marines.

The most sobering task that the Reserve Marines from 4th FSSG perform in Iraq is Mortuary Affairs, which is predominately a Reserve mission. Chief Warrant Officer-2 Anthony L. High, the Officer in Charge of Mortuary Affairs, ensures that the remains of the fallen in Iraq return home with the proper dignity and respect they deserve for the price they have paid for our country. Even enemies killed in Fallujah were given burials commensurate with the customs and procedures of their native country and religious beliefs, winning approval of Iraqi religious leaders.

Fourth Marine Aircraft Wing

The accomplishments of Marine Aerial Refueler Transport Squadron 452 (VMGR–452), of Marine Aircraft Group 49, 4th Marine Aircraft Wing, under the command of Lt. Col. Bradley S. James USMCR, a United Airlines pilot, supported by his senior enlisted advisor, Sgt. Maj. Leland H. Hilt Jr., an auditor for the IRS, show the overwhelming commitment we impose on our Reserve Marines. VMGR–452 has been activated twice since 9/11. A detachment from VMGR–452 was activated in January 2002 to support Operation Enduring Freedom (OEF). The remainder of the squadron was activated later in support of Operation Iraqi Freedom I (OIF–I). Upon deactivation, the squadron immediately reverted back into their normal high operational tempo, supporting reserve missions worldwide. The squadron supported the full spectrum of KC–130 missions that included aerial delivery in support of Special Operations Command, performing multiple aerial refueling missions in support of the Fleet Marine Force and the U.S. Army, logistics runs in support of Marine Forces Europe and deployed units in Djibouti, and support of a Hawaii Combined Arms Exercise. The entire squadron was reactivated in June 2004 and deployed in August to Al Asad Air Base, Al Anbar Province, Iraq. They quickly began combat operations in support of First Marine Expeditionary Force (I MEF). The squadron conducted numerous types of tactical missions, to include logistics support, Fixed Wing Aerial Refueling and radio relay throughout several countries to include Iraq, Kuwait, Qatar, Bahrain, Turkey and Italy. On November 7, when Operation Phantom Fury commenced in Fallujah, VMGR–452 found its versatile KC–130 platforms greatly needed for a variety of missions. The squadron flew 341 sorties, logged 864.9 flight hours, transported 1,273,150 pounds of cargo and 1,980 personnel, and offloaded 4,324,300 pounds of fuel to 502 receivers during the operation. After Operation Phantom Fury, the squadron conducted its most important mission of the deployment—the movement of Iraqi election officials during Operation Citadel II. During this operation, the squadron transported over 1,200 Iraqi election officials from An Najaf to Al Taqaddum and Mosul so that they would be in place before the election on January 30. Following the elections, the squadron transported the election officials back to An Najaf in less than six hours by running three fully loaded KC–

130's continuously. February saw the squadron surpass 3000 mishap-free flight hours for the deployment.

ACTIVATION PHILOSOPHY

Sustaining the force has been consistent with Total Force Marine Corps planning guidance. This guidance was based on a 12-month involuntary activation with a 7-month deployment, followed by a period of dwell time and, if required, a second 12-month involuntary reactivation and subsequent 7-month deployment. This force management practice was designed to enhance the warfighting and sustainment capability of the Marine Forces Reserve by providing trained, well-balanced and cohesive units ready for combat. We view this both an efficient and effective use of our Reserve Marines' 24-month cumulative activation as it serves to preserve Reserve Units to sustain the long-term nature of the GWOT that will require future Reserve force commitments.

ACTIVATION IMPACT

As of January 2005, the Marine Corps Reserve began activating approximately 3,000 Selected Marine Corps Reserve (SMCR) Unit Marines in support of the next Operation Iraqi Freedom rotation and 500 SMCR Unit Marines in support of Operation Enduring Freedom. Even with judicious use of our assets and coordinated planning, the personnel tempo has increased. As the members of this committee know, Reserve Marines are students or have civilian occupations that are also very demanding, and are their primary means of livelihood. In the past 2 years, 933 Reserve Marines exceeded 400 days deployed time. In total, approximately 3,900 Reserve Marines have been activated more than once; about 2,500 of whom are currently activated. Information from March 2005 indicates that approximately 65 percent of the current unit population and 47 percent of the current IMA population have been activated at least once. About 1 percent of our current Individual Ready Reserve (IRR) population deployed in support of OIF/OEF. If you include the number of Marines who deployed as an active component and have since transferred to the IRR, the number reaches 31 percent. This is worth particular note as the IRR provides us needed depth—an added dimension to our capability. Volunteers from the IRR and from other Military Occupational Specialties, such as artillery, have been cross-trained to reinforce identifiable critical specialties.

Although supporting the Global War on Terrorism is the primary focus of the Marine Corps Reserve, other functions, such as pre-deployment preparation and maintenance, recruiting, training, facilities management and long term planning continue. The wise use of the Active Duty Special Work (ADSW) Program allows the Marine Corps to fill these short-term, full-time requirements with Reserve Marines. In fiscal year 2004, the Marine Corps executed 947 work-years of ADSW at a cost of $49.1 million. Continued support and funding for this critical program will enhance flexibility thereby ensuring our Total Force requirements are met.

EQUIPMENT

Our readiness priority is the support and sustainment of our forward deployed forces and, secondly, ensuring units slated to deploy in follow-on rotations possess adequate levels of equipment for training. Currently, the Marine Corps has approximately 30 percent of its ground equipment and 25 percent of its aviation equipment forward deployed. In certain critical, low-density items, this percentage is closer to 50 percent. This equipment has been sourced from the active component, Marine Forces Reserve, the Maritime Prepositioned Force as well as equipment from Marine Corps Logistics Command stores and war reserves. Primarily, our contributed major items of equipment remain in theater and rotating Marine forces fall in on the in-theater assets. In some cases where extraordinary use has resulted in the inordinate deterioration of equipment (such as the Corps' Light Armored Vehicles), equipment rotations have been performed as directed and managed by Headquarters, Marine Corps.

Maintaining current readiness levels will require continued support as our equipment continues to age at a pace exceeding replacement peace time rates. The Global War on Terrorism equipment usage rates average eight to one over normal peacetime usage due to continuous combat operations. This high usage rate in a harsh operating environment, coupled with the weight of added armor and unavoidable delays of scheduled maintenance due to combat, is degrading our equipment at an accelerated rate. If this equipment returns to CONUS, extensive service life extension and overhaul/rebuild programs will be required in order to bring this equipment back into satisfactory condition.

Even with these wartime demands, equipment readiness rates for Marine Forces Reserve deployed ground equipment in the CENTCOM AOR is averaging 93 percent. At home, as we continue to aggressively train and prepare our Marines, we have maintained ground equipment readiness rates of 91 percent. The types of equipment held by Home Training Centers are the same as those held within the Active Component. However, the "set" of ground equipment presently in garrison is not the full equipment combat allowance for Marine Forces Reserve. To reach the level of full equipment combat allowance for Marine Forces Reserve would require us to draw ground equipment from other allowances and inventory options across the Marine Corps. Additionally, due to the Marine Corps' cross-leveling efforts of equipment inventories to support home station shortfalls resulting from equipment deployed in support of the Global War On Terrorism, Marine Forces Reserve will experience some equipment shortfalls of communication and electronic equipment. This specific equipment type shortfall will be approximately 10 percent across the Force in most areas, and somewhat greater for certain low density "big box" type equipment sets. Also, an infantry battalion's worth of equipment originating from Marine Forces Reserve remains in support of deployed forces in the CENTCOM AOR. Although the equipment shortfalls will not preclude sustainment training within the Force, this equipment availability is not optimal.

Strategic Ground Equipment Working Group

For the past year, Headquarters, Marine Corps Installations and Logistics has chaired the Strategic Ground Equipment Working Group (SGEWG). The mission of this organization is to best position the Corps' equipment to support the needs of the deployed Global War on Terrorism forces, the Corps' strategic programs and training of non-deployed forces. My staff has been fully engaged in this process and the results have been encouraging for Marine Forces Reserve, leading to an increase in overall Supply Readiness of approximately 5 percent in most equipment categories. The efforts of the SGEWG, combined with the efforts of my staff to redistribute equipment to support non-deployed units, have resulted in continued training capability for the reserve forces back home.

Individual Combat Clothing and Equipment, Individual Protective Equipment

In order to continue seamless integration into the active component, my ground component priorities are the sustained improvement of Individual Combat Clothing and Equipment, Individual Protective Equipment and overall equipment readiness. I am pleased to report that every Reserve Marine deployed over the past year in support of Operation Iraqi Freedom and Operation Enduring Freedom, along with those currently deployed into harm's way, were fully equipped with the most current Individual Clothing/Combat Equipment and Individual Protective Equipment. Your continued support of current budget initiatives will continue to properly equip our most precious assets—our individual Marines.

Critical Asset Rapid Distribution Facility

In order to ensure equipment is available to our deploying forces, I created the Marine Forces Reserve Materiel Prepositioning Program and designated my Special Training Allowance Pool (which traditionally held such items as cold weather gear) as the Critical Asset Rapid Distribution Facility (CARDF). The CARDF has been designated as the primary location for all newly fielded items of Individual Clothing and Combat Equipment for issue to Marine Forces Reserve. Equipment such as the Improved Load Bearing Equipment, Lightweight Helmet and Improved First Aid Kit has been sent to the CARDF for secondary distribution to deploying units.

Training Allowance

For Principle End Items (PEIs), Marine Forces Reserve units have established Training Allowances (on average approximately 80 percent of their established Table of Equipment). This equipment represents the minimum needed by the unit to maintain the training readiness necessary to deploy, while at the same time is still within their ability to maintain under routine conditions. Establishment of training allowances allows Marine Forces Reserve to better cross level equipment to support CONUS training requirements of all units of the Force with a minimal overall equipment requirement. Of course, this concept requires the support of the service to ensure that the "delta" between a unit's Training Allowance and Table of Equipment (that gear necessary to fully conduct a combat mission) is available in the event of deployment. Current Headquarters Marine Corps policy of retaining needed equipment in theater for use by deploying forces ensures that mobilized Marine Forces Reserve units will have the PEIs necessary to conduct their mission.

Modernization

We are currently engaged in a two-pronged equipment programmatic strategy—resetting today's Force with operational equipment and determining the equipment requirements of your Future Force. I am extremely pleased to report to you that your Marine Reserve Component continues to evolve and adapt to best prepare and meet the spectrum of threats. Some of the most noteworthy accomplishments are those associated with the Marine Corps Force Structure Review Group (FSRG). As part of a Total Force effort, the Marine Corps Reserve is transforming underutilized legacy units into new units with higher threat-relevant capabilities while providing operational tempo relief in high-demand areas. These new units include an Intelligence Support Battalion, an Anti-Terrorist Battalion and two Light Armored Reconnaissance Companies.

The establishment of a Reserve Intelligence Support Battalion, presently underway, will enhance command and control while simultaneously establishing additional reserve component intelligence structure and capabilities. This initiative places Reserve Marine intelligence detachments at Joint Reserve Intelligence Centers (JRICs) throughout the continental United States, providing enhanced "reach back" through JRIC connectivity. Additionally, the ISB will enhance the capability to provide task-organized, all-source intelligence detachments to augment forward-deployed MAGTFs.

The 4th Marine Division's new Anti Terrorism Battalion will provide designated commanders with rapidly deployable, specially trained and sustainable forces that are capable of detecting terrorism, conducting activities to deter terrorism, defending designated facilities and conducting crisis response.

Finally, two new Light Armored Reconnaissance (LAR) Companies will increase the number of Reserve LAR Companies from four to six, thus supporting the equipping of units for future OIF rotations, adding much needed depth, and affording the combatant commander with enhanced maneuver capability. Light Armored Vehicles (LAV) from the four existing units will be redistributed among the six new LAR Companies to meet initial needs. However, internal LAV redistribution will not provide sufficient assets to maintain skill proficiency and deployment readiness, particularly for Marines just completing formal LAV training and joining their Reserve LAR units. Presently, both new LAR Companies are converting from two Tank Companies being divested as a result of FSRG, and personnel to man the new LAR Companies are available and have commenced formal LAV training.

National Guard and Reserve Equipment Appropriation

The Marine Corps Reserve appreciates past Congressional support provided under the National Guard and Reserve Equipment Appropriation (NGREA), an account that provides extraordinary leverage in fielding critical equipment to your Guard and Reserves. In fiscal year 2005, NGREA provided $50 million ($10 million for OIF/OEF requirements, and $40 million for Title III procurement requirements), enabling us to robustly respond to the pressing needs of the individual Marine, Total Force and Combatant Commanders. This funding procures Counterintelligence HUMINT equipment suites, various communications gear (PRC–117F, PRC–150, Integrated Intra Squad Radios), laser target designators, night vision devices, Advanced Combat Optic Gunsight (ACOG) 4×32 scopes, simulators, AH–1W Aircraft Survivability Equipment, CH–46 lightweight seats, and many more war-fighting essential end items.

Highlighting selected items, NGREA enabled the procurement of the Virtual Combat Convoy Trainer—Marine (VCCT–M), a cognitive skills simulator that provides realistic convoy crew training and incidental driver training to your Marines. The first of these systems will be deployed to Naval Station Seal Beach, home site to 5th Battalion, 14th Marine Regiment, to assist in their preparation for deployment to Iraq. Another device procured through NGREA is the Medium Tactical Vehicle Replacement Training Simulator, a combined operator and maintenance training system that supports our new medium tactical vehicle. Additionally, NGREA afforded us the opportunity to purchase 1,175 TA–31F Advanced Combat Optic Gunsights (ACOG) 4×32 scopes. Marine Corps Program Managers have worked directly with the manufacturer in order for Marine Forces Reserve deploying units to receive the ACOG scopes before departing their home training center. I am also pleased to report that we have a combat capable F/A–18A+ squadron currently deployed as a direct result of previous years' NGREA funding for F/A–18A ECP–583 upgrades. Marine Fighter/Attack Squadron-142 has already seen action in Iraq. In summation, I can state without hesitation that NGREA is extremely vital to the Marine Corps reserve and that your Marines and Sailors are reaping the benefits both here and in theater.

My top modernization priorities looking forward and as described in the fiscal year 2006 National Guard and Reserve Equipment Report and other documents, include additional Light Armored Vehicles, PRC–117 radios, LAV Product Improvement Program, Initial Issue equipment (light weight helmets, outer tactical vests, Small Arm Protective Inserts (SAPI) plates), PRC–150 radios, CH–53 Integrated Mechanical Diagnostics System (IMDS), and Family of Mountain and Cold Weather Clothing and Equipment.

INFRASTRUCTURE

Marine Forces Reserve is and will continue to be a community-based force. This is a fundamental strength of Marine Forces Reserve. Our long-range strategy is to retain that strength by maintaining our connection with communities in the most cost effective way. We are not, nor do we want to be, limited exclusively to large metropolitan areas nor consolidated into a few isolated enclaves, but rather we intend to divest Marine Corps-owned infrastructure and locate our units in Joint Reserve Training Centers throughout the country. Marine Forces Reserve units are currently located at 185 sites in 48 states, the District of Columbia, and Puerto Rico; 35 sites are owned or leased by the Marine Corps Reserve, 150 are either tenant or joint sites. Fifty-four percent of the Reserve centers we occupy are more than 30 years old, and of these, 41 are over 50 years old. The fiscal year 2006 budget fully funds sustainment of these facilities and we are working through a backlog of restoration and modernization projects at centers in several states.

The age of our infrastructure means that much of it was built before Anti-Terrorism/Force Protection (AT/FP) was a major consideration in design and construction. These facilities require AT/FP resolution through structural improvements, relocation, replacement or the acquisition of additional stand-off distance. We appreciate the Congressional support provided for our Military construction program in fiscal year 2005 as it enables us to construct modern Amphibious Assault Vehicle maintenance facilities in Gulfport, Mississippi; Norfolk, Virginia and Jacksonville, Florida, and to replace the Reserve Center in Wilmington, North Carolina, a wood frame structure constructed in 1939. The fiscal year 2006 budget includes the replacement of the Reserve Centers in Charleston, South Carolina, a complex of buildings dating to 1942, and Mobile, Alabama. Other older Reserve Centers programmed for replacement include Dayton, Ohio; Memphis, Tennessee; Newport News, Virginia and Fresno, California.

Maintaining adequate facilities is critical to training that supports our readiness and sends a strong message to our Marines and Sailors about the importance of their service. With the changes in Force structure mentioned earlier, extensive facilities upgrades are required at a few locations. Our top priority sites are San Diego, California; Windy Hill (Marietta), Georgia; and Camp Upshur (Quantico), Virginia.

BRAC 2005

We look at BRAC 2005 as an opportunity to realize our long-range strategic infrastructure goals through efficient joint ventures and increased training center utilization without jeopardizing our community presence. We have integrated our force structure changes into our BRAC efforts to the greatest extent possible. In cooperation with other reserve components, notably the Army Reserve and the Army National Guard, we are working toward Reserve basing solutions that further reduce restoration and modernization backlogs and AT/FP vulnerability.

RECRUITING AND RETENTION

Like the active component, Marine Corps Reserve units primarily rely upon a first term force. Currently, the Marine Corps Reserve continues to recruit and retain quality men and women willing to manage commitments to their families, their communities, their civilian careers and the Corps. Recruiting and retention goals were met in fiscal year 2004, but the long-term impact of recent activations is not yet known. Despite the high operational tempo, the morale and patriotic spirit of Reserve Marines, their families and employers remains extraordinarily high.

At the end of fiscal year 2004, the Selected Marine Corps Reserve was over 39,600 strong. Part of this population is comprised of Active Reserve Marines, Individual Mobilization Augmentees and Reserve Marines in the training pipeline. An additional 60,000 Marines serve as part of the Individual Ready Reserve, representing a significant pool of trained and experienced prior service manpower. Reserve Marines bring to the table not only their Marine Corps skills but also their civilian training and experience as well. The presence of police officers, engineers, lawyers, skilled craftsmen, business executives and the college students who fill our Reserve

ranks serves to enrich the Total Force. The Marine Corps appreciates the recognition given by Congress to employer relations, insurance benefits and family support. Such programs should not be seen as "rewards" or "bonuses," but as tools that will sustain the Force in the years ahead.

Support to the Global War on Terrorism has reached the point where 80 percent of the current Marine Corps Reserve leadership has deployed at least once. Nevertheless, the Marine Corps Reserve is currently achieving higher retention rates than the benchmark average from the last three fiscal years. As of January, fiscal year 2005, the OSD attrition statistics for Marine Corps Reserve unit officers is 10.9 percent compared to the current benchmark average of 15.8 percent. For the same time period, Reserve unit enlisted attrition is 6.4 percent compared to 8.5 percent average.

Good retention goes hand-in-hand with the successes of our recruiters. In fiscal year 2004, the Marine Corps Reserve achieved 100 percent of its recruiting goal for non-prior service recruiting (6,165) and exceeded its goal for prior service recruiting (2,083). For our reserve component, junior officer recruiting remains the most challenging area. We are successfully expanding reserve commissioning opportunities for our prior-enlisted Marines in order to grow some of our own officers from Marine Forces Reserve units and are exploring other methods to increase the participation of company grade officers in the Selective Marine Corps Reserve through increased recruiting efforts and increased active duty command emphasis on Reserve opportunities and participation. We thank Congress for the continued support of legislation to allow bonuses for officers in the Selective Marine Corps Reserve who fill a critical skill or shortage. We are aggressively implementing the Selected Reserve Officer Affiliation Bonus program and expect it to fill fifty vacant billets this year, with plans to expand the program in the coming years. We appreciate your continued support and funding of incentives such as this, which offset the cost that officers must often incur in traveling to billets at Marine Corps Reserve locations nationwide.

QUALITY OF LIFE

Our future success will rely on the Marine Corps' most valuable asset—our Marines and their families. We, Marine Forces Reserve, believe it is our obligation to arm our Marines and their families with as much information as possible on the programs and resources available to them. Arming our Marines and their families with information on their education benefits, available childcare programs, family readiness resources and the health care benefits available to them, provides them with unlimited potential for their quality of life.

Education

Last year I testified that there were no laws offering academic and financial protections for Reserve military members who are college students. I was glad to see that there is movement in Congress to protect our college students and offer greater incentives for all service members to attend colleges. I appreciate recent 2005 legislation protecting a military member's college education investments and status when called to duty.

More than 1,000 Marine Forces Reserve Marines chose to use Tuition Assistance in fiscal year 2004 in order to help finance their education. This Tuition Assistance came to more than $1.9 million in fiscal year 2004 for more than 3,700 courses. Many of these Marines were deployed to Afghanistan and Iraq, and took their courses via distance learning courses. In this way Tuition Assistance helped to mitigate the financial burden of education and maintained progress in the Marine's planned education schedule. We support continued funding of Tuition Assistance as currently authorized for activated Reserves. I fully support initiatives that will increase G.I. Bill benefits for Reserve and National Guard service members, as it is a key retention and recruiting tool and an important part of our Commandant's guidance to enhance the education of all Marines. House Resolution 4200, passed by both the House and Senate in October 2004 authorized Montgomery G.I. Bill benefits for certain Reserve and National Guard service members and increased the benefits for others. I heartily thank you for this initiative and look forward to it's anticipated implementation by the Department of Veterans Affairs in September 2005.

Child Care Programs

Marines and their families are often forced to make difficult choices in selecting childcare, before, during and after a Marine's deployment in support of the Global War on Terror. We are deeply grateful for the joint initiative funded by the Department of Defense and announced on March 3, 2005 by the Boys and Girls Clubs of America and the National Association of Child Care Resource and Referral Agen-

cies. Without the fiscal authorization provided by the Senate and House, these programs could not have been initiated or funded. These combined resources have immeasurably contributed to the quality of life of our Marines' and their families. I thank you all for your support in the past and the future in providing sufficient funds for these key initiatives.

Family Readiness

Everyone in Marine Forces Reserve recognizes the strategic role our families have in our mission readiness, particularly in our mobilization preparedness. We help our families to prepare for day-to-day military life and the deployment cycle (Pre-Deployment, Deployment, Post-Deployment, and Follow-On) by providing educational opportunities at unit Family Days, Pre-Deployment Briefs, Return and Reunion, Post-Deployment Briefs and through programs such as the Key Volunteer Network (KVN) and Lifestyle Insights, Networking, Knowledge and Skills (L.I.N.K.S.). We also envision the creation of Regional Quality of Life Coordinators, similar to the Marine Corps Recruiting Command program, for our Reserve Marines and their families.

At each of our Reserve Training Centers, the KVN program serves as the link between the command and the family members, providing them with official communication, information and referrals. The Key Volunteers, many of whom are parents of young, un-married Marines, provide a means of proactively educating families on the military lifestyle and benefits, provide answers for individual questions and areas of concerns and, perhaps most importantly, enhance the sense of community within the unit. The L.I.N.K.S. program is a spouse-to-spouse orientation service offered to family members to acquaint them with the military lifestyle and the Marine Corps, including the challenges brought about by deployments. Online and CD–ROM versions of L.I.N.K.S. makes this valuable tool more readily accessible to families of Reserve Marines not located near Marine Corps installations.

MCCS One Source is another important tool that provides Marines and their families with around-the-clock information and referral service for subjects such as parenting, childcare, education, finances, legal issues, elder care, health, wellness, deployment, crisis support and relocation via toll-free telephone and Internet access.

The Peacetime/Wartime Support Team and the support structure within the Inspector and Instructor staff uses all these tools to provide families of activated or deployed Marines with assistance in developing proactive, prevention-oriented steps such as family care plans, powers of attorney, family financial planning, and enrollment in the Dependent Eligibility and Enrollment Reporting System.

All of these programs depend on adequate funding of our manpower and O&M accounts.

Managed Health Network

Managed Health Network, through a contract with the Department of Defense, is providing specialized mental health support services to military personnel and their families. This unique program is designed to bring counselors on-site at Reserve Training Centers to support all phases of the deployment cycle. Marine Forces Reserve is incorporating this resource into Family Days, Pre-Deployment Briefs and Return & Reunion Briefs to ensure a team approach. Follow-up services are then scheduled after Marines return from combat at various intervals to facilitate on-site individual and group counseling.

TRICARE

Since 9/11, Congress has gone to great lengths to improve TRICARE benefits available to the Guard and Reserve and we are very appreciative to Congress for all the recent changes to the program. Beginning April 2005, TRICARE Reserve Select will be implemented, providing eligible Guard and Reserve members with comprehensive health care. This new option, similar to TRICARE Standard, is designed specifically for reserve members activated on or after September 11, 2001 who enter into an agreement to serve continuously in the Selected Reserve for a period of 1 or more years. Other key provisions include coverage for Selected Reserves after an activation, which provides a year of coverage while in non-active duty status for every 90 days of consecutive active duty. The member must agree to remain in the Selected Reserve for one or more whole years. Also, a permanent earlier eligibility date for coverage due to activation has been established at up to 90 days before an active duty reporting date for members and their families.

The new legislation also waives certain deductibles for activated members' families. This reduces the potential double payment of health care deductibles by members' civilian coverage. Another provision allows DOD to protect the beneficiary by paying the providers for charges above the maximum allowable charge. Transitional health care benefits have been established, regulating the requirements and benefits

for members separating. We are thankful for these permanent changes that extend healthcare benefits to family members and extend benefits up to 90 days prior to their activation date and up to 180 days after de-activation.

Reserve members are also eligible for dental care under the Tri-Service Remote Dental Plan for a moderate monthly fee. In an effort to increase awareness of the new benefits, Reserve members are now receiving more information regarding the changes through an aggressive education and marketing plan. I would like to also ask Congress and this committee for their support of the new fiscal year 2005 legislation that includes improvements. These initiatives will further improve the healthcare benefits for our reserves and National Guard members and families.

Casualty Assistance

One of the most significant responsibilities of the site support staff is that of casualty assistance. It is at the darkest hour for our Marine families that our support is most invaluable. By virtue of our dispersed posture, Marine Forces Reserve site support staffs are uniquely qualified to accomplish the majority of all Marine Corps casualty notifications and provide the associated family assistance. Currently, Marine Forces Reserve conducts approximately 92 percent of all notifications and follow-on assistance for the families of our fallen Marine Corps brethren. In recognition of this greatest of sacrifices, there is no duty to our families that we treat with more importance. However, the duties of our casualty assistance officers go well beyond notification. We ensure that they are adequately trained, equipped and supported by all levels of command. Once an officer or staff noncommissioned officer is designated as a casualty assistance officer, he or she assists the family members in every possible way, from planning the return and final rest of their Marine, counseling them on benefits and entitlements, to providing a strong shoulder when needed. The casualty officer is the family's central point of contact, serving as a representative or liaison with the media, funeral home, government agencies or any other agency that may be involved. Every available asset is directed to our Marine families to ensure they receive the utmost support. The Marine Corps Reserve also provides support for military funerals for our veterans. The Marines at our reserve sites performed 7,621 funerals in calendar year.

The Marine Corps is also committed to supporting the wishes of seriously injured Marines, allowing them to remain on active duty if they desire or making their transition home as smooth as possible. Leveraging the organizational network and strengths of the Marine for Life program, we are currently implementing an Injured Support program to assist injured Marines, Sailors serving with Marines, and their families. The goal is to bridge the gap between military medical care and the Department of Veterans Affairs—providing continuity of support through transition and assistance for several years afterwards. Planned features of the program include: advocacy for Marines, Sailors and their families within the Marine Corps and with external agencies; pre and post-Service separation case management; assistance in working with physical evaluation boards; an interactive web site for disability/benefit information; an enhanced Marine Corps Community Services "One Source" capability for 24/7/365 information; facilitation assistance with Federal hiring preferences; coordination via an assigned Marine liaison with veterans, public, and private organizations providing support to our seriously injured; improved Department of Veterans Affairs handling of Marine cases; and development of any required proposals for legislative changes to better support our Marines and Sailors. This program began limited operations in early January 2005. We are able to support these vitally important programs because of the wide geographic dispersion of our units.

Marine For Life

Our commitment to take care of our own includes a Marine's transition from honorable military service back to civilian life. Initiated in fiscal year 2002, the Marine For Life program continues to provide support for 27,000 Marines transitioning from active service back to civilian life each year. Built on the philosophy, "Once a Marine, Always a Marine," Reserve Marines in over eighty cities help transitioning Marines and their families to get settled in their new communities. Sponsorship includes assistance with employment, education, housing, childcare, veterans' benefits and other support services needed to make a smooth transition. To provide this support, the Marine For Life program taps into a network of former Marines and Marine-friendly businesses, organizations and individuals willing to lend a hand to a Marine who has served honorably. Approximately 2,000 Marines are logging onto the web-based electronic network for assistance each month. Assistance from career retention specialists and transitional recruiters helps transitioning Marines tremendously by getting the word out about the program.

Employer Support

Members of the Guard and Reserve who choose to make a career must expect to be subject to multiple activations. Employer support of this fact is essential to a successful activation and directly effects retention and recruiting. With continuous rotation of Reserve Marines, we recognize that a the rapid deactivation process is a high priority to reintegrate Marines back into their civilian lives quickly and properly in order to preserve the Reserve force for the future. We support incentives for employers who support their activated Guard and Reserve employees such as the Small Business Military Reservist Tax Credit Act, which allows small business employers a credit against income tax for employees who participate in the military reserve component and are called to active duty.

CONCLUSION

As I have stated in the beginning of my testimony, your consistent and steadfast support of our Marines and their families has directly contributed to our successes, both past and present, and I thank you for that support. As we push on into the future, your continued concern and efforts will play a vital role in the success of Marine Forces Reserve. Due to the dynamics of the era we live in, there is still much to be done.

The Marine Corps Reserve continues to be a vital part of the Marine Corps Total Force Concept. Supporting your Reserve Marines at the 185 sites throughout the United States, by ensuring they have the proper facilities, equipment and training areas, enables their selfless dedication to our country. Since 9/11, your Marine Corps Reserve has met every challenge and has fought side by side with our active counterparts. No one can tell the difference between the active and reserve—we are all Marines.

The consistent support from Congress for upgrades to our war fighting equipment has directly affected the American lives saved on the battlefield. However, as I stated earlier, much of the same fighting equipment throughout the force has deteriorated rapidly due to our current operational tempo. In this regard, I fully support the fiscal year 2005 Supplemental request.

Although we currently maintain a high level of readiness, we will need significant financial assistance to refresh and/or replace our war fighting equipment in the very near future. Also, as the Marine Forces Reserve adjusts its force structure over the next 2 years, several facilities will need conversions to create proper training environments for the new units. Funding for these conversions would greatly assist our war fighting capabilities.

As I have stated earlier, NGREA continues to be extremely vital to the health of the Marine Corps Reserve, assisting us in staying on par with our active component. We would not have been able to attain our current level of deployed readiness while providing in-theater operational capabilities without your support of this key program.

My final concerns are for Reserve and Guard members, their families and employers who are sacrificing so much in support of our Nation. Despite strong morale and good planning, activations and deployments place great stress on these honorable Americans. Your continued support for "quality of life" initiatives will help sustain Reserve Marines in areas such as employer incentives, educational benefits, medical care and family care.

My time as Commander, Marine Forces Reserve has been tremendously rewarding. Testifying before congressional committees and subcommittees has always been a great pleasure, as it has afforded me the opportunity to let the American people know what an outstanding patriotic group of citizens we have in the Marine Corps Reserve. Thank you for your continued support.

Senator STEVENS. General Bradley.

STATEMENT OF LIEUTENANT GENERAL JOHN A. BRADLEY, CHIEF, AIR FORCE RESERVE, UNITED STATES AIR FORCE

General BRADLEY. Senator Stevens, sir, it is an honor to be here, a privilege to represent the men and women of the Air Force Reserve Command before you today. I want to thank you. I have provided a written statement, but orally I want to thank you for the generous support that you have given us over the years, and solicit your continued support for us.

We have so many thousands of very hard-working young men and women serving our Air Force, serving our Nation, helping it do its job around the world. I am very proud of them. Representing our enlisted force, I have with me today my Command Chief Master Sergeant, Chief Master Sergeant Jack Winsett with me here today in the hearing room. He gives me great advice and counsel about taking care of our enlisted force, the force who really help us get our job done.

Again, we thank you for the great support you have given us and we look forward to your questions, sir. Thank you.

Senator STEVENS. Thank you.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JOHN A. BRADLEY

Mr. Chairman, and distinguished members of the Committee, I appreciate the opportunity to appear before you today. I want to thank you for your continued support, which has helped your Air Force Reserve address vital recruiting, retention, modernization, and infrastructure needs. Your passage of last year's pay and quality of life initiatives sent a clear message to our citizen Airmen that their efforts are appreciated and supported by the American people, and also by those of you in the highest positions of government. Wherever you find the United States Air Force, at home or abroad, you will find the active and Reserve members working side-by-side, trained to one tier of readiness, seamlessly integrated into a military force that is READY NOW!

TOTAL FORCE

The Air Force Reserve (AFR) continues to address new challenges in 2005. Although Partial Mobilization persists, demobilizations have increased significantly. In spite of the strains that mobilization has placed on the personal and professional lives of our Reserve members, volunteerism continues to be a significant means of contribution. Volunteerism is the preferred method of fulfilling requirements for future Global War On Terror (GWOT) actions. While dedicated members of the Air Force Reserve continue to meet validated operational requirements, the AFR, in cooperation with the Air Force Personnel Requirements division is exploring ways to enhance volunteerism, including use of volunteer Individual Ready Reserve (IRR) members. Recruiting and retention of quality service members are a top priority for the Air Force Reserve and competition for these members among other services, as well as within the civilian community has reached an all-time high.

Recruiting

In fiscal year 2004, and for the last 4 consecutive years, Air Force Reserve Command (AFRC) exceeded its recruiting goal. This remarkable feat is achieved through the outstanding efforts of our recruiters and with the superb assistance of our Reserve members who help tell our story of public service to the American people. Despite the long-term effects of high Operations and Personnel (OPS/PERS) Tempo, AFRC only fell short of its fiscal year 2004 end-strength by .7 percent, reaching 99.37 percent, or merely 578 assigned short of congressionally funded requirements.

Recruiting continues to face significant challenges. The pool of active duty separatees continues to shrink due to force reductions over the last decade, and the competition for these members has become even keener. The active duty is intensifying its efforts in retention and the National Guard is competing for these assets as well. Additionally, the current high OPS/PERS Tempo and a perceived likelihood of activation and deployment are being routinely cited as significant reasons why separating members are declining to choose continuing military service in the Reserve. These issues further contribute to the civilian sector's ability to attract these members away from military service. One consequence of the reduced success in attracting separating members from active duty is the need to make up this difference through attracting non-prior service (NPS) members. Historically, Reserve Recruiting accesses close to 25 percent of eligible separating active duty Air Force members (i.e. no break in service), which accounts for a significant portion of annual accessions. While having enough Basic Military Training and Technical Training School quotas has long been an issue, the increased dependence on NPS accessions strains these requirements even further. To meet training requirements, 4,000 training slots per year are now allocated and funded for the Air Force Reserve.

A new forecasting tool developed by our training division allows everyone, from unit level to wing training managers, to Numbered Air Force (NAF) and AFRC Air Force Specialty Code (AFSC) functional managers, to participate in the forecasting with the Chief of Recruiting Services providing final approval.

Finally, with overall end-strength of the Air Force Reserve dipping below 100 percent, some career-fields are undermanned. In order to avoid possible readiness concerns, recruiters will continue to meet the challenge of guiding applicants to critical job specialties.

The Reserve is taking advantage of an active duty Force Shaping initiative. Beginning in fiscal year 2004 and ending in fiscal year 2005, the Air Force will offer active duty members the opportunity to use the Palace Chase program to change components. The Air Force Reserve is using this opportunity to access prior service members with critical career skills. In fiscal year 2004, 1,200 active duty members utilized Palace Chase to join the Air Reserve Component, with over half selecting the Air Force Reserve. This number may grow in fiscal year 2005.

For recruits who have not served in a military component, the development of the "Split Training Option" which began in October 2003, provides a flexible tool for recruiters to use in scheduling Basic Military Training classes and Technical School classes at non-consecutive times.

Retention

Retention in both officer and enlisted categories has remained strong. Fiscal year 2004 ended with officer retention at 92.3 percent and overall enlisted retention at 88.4 percent. These retention rates are in line with averages over the last 5 years.

As the Reserve Component (RC) continues to surge to meet operational requirements necessary for the successful prosecution of the GWOT, we continue to examine existing laws and policies that govern enlisted incentives and related compensation issues. The reserve enlisted bonus program is a major contributor to attract and retain both unit and individual mobilization augmentee members in those critical unit type code tasked career fields. To enhance retention of our reservists, we work to ensure relevant compensation statutes reflect the growing reliance on the RC to accomplish active duty missions and provide compensatory equity between members of both components. The reenlistment bonus authority of the active and reserve components is one area we are working to change. We continue to explore the feasibility of expanding the bonus program to our Air Reserve Technician (ART) members. In addition, the Aviation Continuation Pay (ACP), the Career Enlisted Flyers Incentive Pay (CEFIP) and Aircrew Incentive Pay (ACIP) continue to be offered to retain our rated assets, both officer and enlisted.

The Reserve has made many strides in increasing education benefits for our members, offering 100 percent tuition assistance for those individuals pursuing an undergraduate degree and continuing to pay 75 percent for graduate degrees. We also employ the services of the Defense Activity for Non-Traditional Education Support (DANTES) for College Level Examination Program (CLEP) testing for all reservists and their spouses.

We will continue to seek innovative ways to enhance retention.

Quality of Life Initiatives

We expanded the AFR Special Duty Assignment Pay (SDAP) program by including an additional six Air Force Specialty Codes to enhance recruitment and retention, improve program alignment, and provide parity to Reserve members. Where there is Reserve strength, the expansion authorizes the payment of SDAP to a reservist qualifying in the same skill and location as their active duty counterpart. The AFR SDAP program has continued to evolve and improve since Secretarial authority removed the tour length requirement for the Air Reserve Component in July 2000.

We appreciate the support provided in the fiscal year 2005 National Defense Authorization Act that expanded the Reserve health benefits. At your direction, the Department is implementing the new TRICARE Reserve benefits that will ensure the individual medical readiness of members of the Guard and Reserve, and contribute to the maintenance of an effective Air Force Reserve force. The Department has made permanent their early access to TRICARE upon notification of call-up and their continued access to TRICARE for 6 months following active duty service for both individuals and their families. We are implementing the TRICARE Reserve Select (TRS) coverage for Air Force Reserve personnel and their families who meet the requirements established in law. TRS is a premium-based healthcare plan available for purchase by certain eligible members of the National Guard and Reserves who have been activated for a contingency operation since September 11, 2001. This program will serve as an important bridge for all Reserve and Guard members as they

move back to other employment and the utilization of the private health care market. We believe that the design of TRS in a manner that supports retention and expands health benefits is creative and should be studied before any further adjustments are contemplated.

A change in the Joint Federal Regulation Travel policy authorized expenses for retained lodging for a member who takes leave during a TDY contingency deployment to be paid as a reimbursable expense. This change became effective February 24, 2004, and has since alleviated the personal and financial hardship deployed reservists experience with regard to retaining lodging and losing per diem while taking leave.

FLEET MODERNIZATION

F–16 Fighting Falcon

Air Combat Command and AFRC are upgrading the F–16 Block 25/30/32 in all core combat areas by installing Global Positioning System (GPS) navigation system, Night Vision Imaging System (NVIS) and NVIS compatible aircraft lighting, Situational Awareness Data Link (SADL), Target Pod integration, GPS steered "smart weapons", an integrated Electronics Suite, Pylon Integrated Dispenser System (PIDS), Digital Terrain System (DTS), and the ALE–50 (towed decoy system). The acquisition of the Litening Advanced targeting pod (ATP) marked the greatest jump in combat capability for AFRC F–16s in years. At the conclusion of the Persian Gulf War, it became apparent that the ability to employ precision-guided munitions, specifically laser-guided bombs, would be a requirement for involvement in future conflicts. Litening affords the capability to employ precisely targeted Laser Guided Bombs (LGBs) effectively in both day and night operations, any time at any place. This capability allows AFRC F–16s to fulfill any mission tasking requiring a self-designating, targeting-pod platform, providing needed relief for heavily tasked active-duty units. These improvements, and recent funding to upgrade all Litening pods to the latest version (Litening AT), have put AFRC F–16s at the leading edge of combat capability. The combination of these upgrades are unavailable in any other combat aircraft and make the Block 25/30/32 F–16 the most versatile combat asset available to a theater commander.

Tremendous work has been done to keep the Block 25/30/32 F–16 employable in today's complex and demanding combat environment. This success has been the result of far-sighted planning that has capitalized on emerging commercial and military technology to provide specific capabilities that were projected to be critical. That planning and vision must continue if the F–16 is to remain useable as the largest single community of aircraft in America's fighter force. Older model Block 25/30/32 F–16 aircraft require structural improvements to guarantee that they will last as long as they are needed. They also require data processor and wiring system upgrades in order to support employment of more sophisticated precision attack weapons. These models must have improved pilot displays to integrate and present the large volumes of data now provided to the cockpit. Additional capabilities are needed to eliminate fratricide and allow weapons employment at increased range, day or night and in all weather conditions. They must also be equipped with significantly improved threat detection, threat identification, and threat engagement systems in order to meet the challenges of combat survival and employment for the next 20 years.

A/OA–10 Thunderbolt

There are five major programs over the next 5 years to ensure the A/OA–10 remains a viable part of the total Air Force. The first is increasing its precision engagement capabilities. The A–10 was designed for the Cold War and is the most effective Close Air Support (CAS) anti-armor platform in the USAF, as demonstrated during the Persian Gulf War. Unfortunately, its systems have not kept pace with modern tactics as was proven during Operation Allied Force. Until the Litening II Advanced Targeting Pod (ATP) was integrated, the AGM–65 (Maverick) was the only precision-guided weapon carried on the A–10. The integration method used to employ the targeting, however, was an interim measure and the A–10 still lacks a permanent, sustainable means of integrating the Litening pod into its avionics. Additionally, there has been a critical need for a datalink to help identify friendly troops and vehicles, which will reduce fratricide. There has been a datalink solution available for the A–10 since 1996 and is currently employed on the F–16. Newer weapons are being added to the Air Force inventory regularly, but the current avionics and computer structure limits the deployment of these weapons on the A–10. The Precision Engagement (PE) and Suite 3 programs will help correct this limitation, but the AFR does not expect to see PE installed until fiscal year 2008 and it

still does not include a datalink. Next, critical systems on the engines are causing lost sorties and increased maintenance activity. Several design changes to the Accessory Gearbox will extend its useful life and reduce the existing maintenance expense associated with the high removal rate. The other two programs increase the navigation accuracy and the overall capability of the fire control computer, both increasing the weapons system's overall effectiveness.

Looking to the future, there is a requirement for a training package of 30 PRC–112B/C survival radios for 10th Air Force fighter, rescue, and special operations units. While more capable, these radios are also more demanding to operate and additional units are needed to ensure the aircrews are fully proficient in their operation.

One of the A–10 challenges is money for upgrade in the area of high threat survivability. Previous efforts focused on an accurate missile warning system and effective, modern flares; however, a new preemptive covert flare system may satisfy the requirement. The A–10 can leverage the work done on the F–16 Radar Warning Receiver and C–130 towed decoy development programs to achieve a cost-effective capability. The A/OA–10 has a thrust deficiency in its operational environment. As taskings evolved, commanders have had to reduce fuel loads, limit take-off times to early morning hours and refuse taskings that increase gross weights to unsupportable limits. Forty-five AFRC A/OA–10s need upgraded structures and engines (two engines per aircraft plus five spares for a total of 95 engines).

B–52 Stratofortress

In the next 5 years, several major programs will be introduced to increase the capabilities of the B–52 aircraft. Included here are programs such as a Crash Survivable Flight Data Recorder and a Standard Flight Data Recorder, upgrades to the current Electro-Optical Viewing System, Chaff and Flare Improvements, and improvements to cockpit lighting and crew escape systems to allow use of Night Vision Goggles.

Enhancements to the AFRC B–52 fleet currently under consideration are:

—Visual clearance of the target area in support of other conventional munitions employment

—Self-designation of targets, eliminating the current need for support aircraft to accomplish this role

—Target coordinate updates to JDAM and WCMD, improving accuracy

—Bomb Damage Assessment of targets

In order to continue the viability of the B–52, several improvements and modifications are necessary. Although the aircraft has been extensively modified since its entry into the fleet, the advent of precision guided munitions and the increased use of the B–52 in conventional and Operations Other Than War (OOTW) operation require additional avionics modernization and changes to the weapons capabilities such as the Avionics Midlife Improvement, Conventional Enhancement Modification (CEM), and the Integrated Conventional Stores Management System (ICSMS). Changes in the threat environment are also driving modifications to the defensive suite including Situational Awareness Defense Improvement and the Electronic Counter Measures Improvement (ECMI).

Recently, the B–52 began using the Litening Advanced Targeting Pod to locate targets and employ precision weapons. The targeting pod interface has adapted equipment from an obsolete system. The system works but requires an updated system to take full advantage of the targeting pod capability.

Like the A–10, it also requires a datalink to help reduce fratricide as its mission changes to employ ordinance closer and closer to friendly forces. The Litening pod continues to see incremental improvements but needs emphasis on higher resolution sensors and a more powerful, yet eye-safe laser, to accommodate the extremely high employment altitudes (over 40,000 feet) of the B–52.

The B–52 was originally designed to strike targets across the globe from launch in the United States. This capability is being repeatedly demonstrated, but the need for real time targeting information and immediate reaction to strike location changes is needed. Multiple modifications are addressing these needs. These integrated advanced communications systems will enhance the B–52 capability to launch and modify target locations while airborne. Other communications improvements are the Global Air Traffic Management (GATM) Phase 1, an improved ARC–210, the KY–100 Secure Voice, and a GPS–TACAN Replacement System (TRS).

As can be expected with an airframe of the age of the B–52, much must be done to enhance its reliability and replace older, less reliable or failing hardware. These include a Fuel Enrichment Valve Modification, Engine Oil System Package, and an Engine Accessories Upgrade, all to increase the longevity of the airframe.

MC–130H Talon

In 2006, AFRC and Air Force Special Operations Command will face a significant decision point on whether on not to retire the Talon I. This largely depends on the determination of the upcoming SOF Tanker Requirement Study. Additionally, the MC–130H Talon II aircraft will be modified to air refuel helicopters. The Air Force CV–22 is being developed to replace the entire MH–53J Pave Low fleet, and the MC–130E Combat Talon l. The CV–22 program has been plagued with problems and delays and has an uncertain future. Ultimately, supply and demand will impact willingness and ability to pay for costly upgrades along with unforeseeable expenses required to sustain an aging weapons system.

HC–130P/N Hercules

Over the next 5 years, there will be primarily sustainability modifications to the weapons systems to allow it to maintain compatibility with the remainder of the C–130 fleet. In order to maintain currency with the active duty fleet, AFRC will accelerate the installation of the APN–241 as a replacement for the APN–59. Additionally, AFRC will receive two aircraft modified from the 'E' configuration to the Search and Rescue configuration. All AFRC assets will be upgraded to provide Night Vision Imaging System (NVIS) mission capability for C–130 combat rescue aircraft.

HH–60G Pave Hawk

Combat Search and Rescue (CSAR) Mission Area modernization strategy currently focuses on resolving critical weapon system capability shortfalls and deficiencies that pertain to the Combat Air Force's Combat Identification, Data Links, Night/All-Weather Capability, Threat Countermeasures, Sustainability, Expeditionary Operations, and Para rescue modernization efforts. Since the CAF's CSAR forces have several critical capability shortfalls that impact their ability to effectively accomplish their primary mission tasks today, most CSAR modernization programs/initiatives are concentrated in the near-term (fiscal year 2000–2006). These are programs that:

—Improve capability to pinpoint location and authenticate identity of downed aircrew members/isolated personnel
—Provide line-of-sight and over-the-horizon high speed LPI/D data link capabilities for improving battle space/situational awareness
—Improve Command and Control capability to rapidly respond to "isolating" incidents and efficiently/effectively task limited assets
—Improve capability to conduct rescue/recovery operations at night, in other low illumination conditions, and in all but the most severe weather conditions
—Provide warning and countermeasure capabilities against RF/IR/EO/DE threats
—Enhance availability, reliability, maintainability, and sustainability of aircraft weapon systems

WC/C–130J Hercules

The current fleet is being replaced with new WC–130J models. This replacement allows for longer range and ensures weather reconnaissance capability well into the next decade. Once conversion is complete, the 53rd Weather Reconnaissance Squadron will consist of 10 WC–130J's. Presently, there are ten WC–130J models at Keesler AFB, MS undergoing Qualification Test and Evaluation (QT&E). Deliveries were based on the resolution of deficiencies identified in test and will impact the start of operational testing and the achievement of Interim Operational Capability (IOC). Major deficiencies include: propellers (durability/supportability) and radar tilt and start up attenuation errors. AFRC continues to work with the manufacturer to resolve the QT&E documented deficiencies.

C–5 Galaxy

Over the next 4 years, there will be primarily sustainability modifications to the weapons systems to allow the C–5 to continue as the backbone of the airlift community. Several major modifications will be performed on the engines to increase reliability and maintainability. Additionally, the remainder of the fleet will receive the avionics modernization that replaces cockpit displays while upgrading critical navigational and communications equipment. Also, consideration is being made to install Aircraft Defensive Systems on C–5A aircraft. Installation of Aircraft Defensive Systems will increase the survivability of the C–5A in hostile situations.

C–17 Globemaster

In the summer of fiscal year 2005, the first AFRC Unit Equipped C–17 squadron will stand up at March AFB. This new squadron will enhance the mobility capabilities for the United States military in peacetime and in conflict by rapid strategic

delivery of troops and all type of cargo while improving the ability of the total airlift system to fulfill the worldwide air mobility requirements.

C–141 Starlifter

For the past 31 years, the C–141 has been the backbone of mobility for the United States military in peacetime and in conflict. In September 2004 the C–141 retired from the active-duty Air Force; however, Air Force Reserve Command will continue the proud heritage of this mobility workhorse and will fly the C–141 through the third quarter of fiscal year 2006. AFRC remains focused in flying the mission of the C–141 and looks to the future in transitioning to a new mission aircraft.

C–130 Hercules

AFRC has 127 C–130s including the E, H, J and N/P models. The Mobility Air Forces (MAF) currently operate the world's best theater airlift aircraft, the C–130, and it will continue in service through 2020. In order to continue to meet the Air Force's combat delivery requirements through the next 17 years, aircraft not being replaced by the C–130J will become part of the C–130X Program. Phase 1, Avionics Modernization Program (AMP) program includes a comprehensive cockpit modernization by replacing aging, unreliable equipment and adding additional equipment necessary to meet Nav/Safety and GATM requirements. Together, C–130J and C–130X modernization initiatives reduce the number of aircraft variants from 20 to two core variants, which will significantly reduce the support footprint and increase the capability of the C–130 fleet. The modernization of our C–130 forces strengthens our ability to ensure the success of our war fighting commanders and lays the foundation for tomorrow's readiness.

KC–135E/R Stratotanker

One of Air Force Reserve Command's most challenging modernization issues concerns our unit-equipped KC–135s. Eight of the nine air refueling squadrons are equipped with the KC–135R, while the remaining one squadron is equipped with KC–135Es. The KC–135E, commonly referred to as the E-model, has engines that were recovered from retiring airliners. This conversion, which was accomplished in the early- to mid-1980s, was intended as an interim solution to provide improvement in capability while awaiting conversion to the R-model with its new, high-bypass, turbofan engines and other modifications. The final KC–135E squadron is currently transitioning to the KC–135R/T Model aircraft which is scheduled to be completed in fiscal year 2005.

The ability to conduct the air-refueling mission has been stressed in recent years. Although Total Force contributions have enabled success in previous air campaigns, shortfalls exist to meet the requirements of our National Military Strategy. Air Mobility Command's (AMC) Tanker Requirements Study-2005 (TRS–05) identifies a shortfall in the number of tanker aircraft and aircrews needed to meet global refueling requirements in the year 2005. There is currently a shortage of KC–135 crews and maintenance personnel. Additionally, the number of KC–135 aircraft available to perform the mission has decreased in recent years due to an increase in depot-possessed aircraft with a decrease in mission capable (MC) rates.

I would like to close by offering my sincere thanks to each member of this Committee for your continued support and interest in the quality of life of each Air Force Reservist. The pay increases and added benefits of the last few years have helped us through a significant and unprecedented time of higher operations tempo. This is my first opportunity to represent these fine young men and women as the Chief of Air Force Reserve, and I know that we are on the right path in establishing a stronger, more focused, force. It is a force no longer in Reserve, but integrated into every mission of the Air Force.

Senator STEVENS. Do you have anything further, General Helmly?

General HELMLY. No, sir.

Senator STEVENS. Gentlemen, you heard the discussion, I believe, about the bonuses and incentives for reenlistment. Could each of you tell me, what do you think is the most important incentive we have from your point of view for your service? General?

General HELMLY. Sir, let me say first that I am very conscious of the fact that there are two factors that play into a decision to enlist, as well as reenlist. The first one is of course the monetary

factor. The second one is a service ethic. We have recently really started to emphasize the service ethic.

I found when I assumed this position it was my judgment we had strayed too far in the direction of monetary only, so we have changed our recruiting ads, we have changed our retention focus. As I personally participated in reenlisting about 105 soldiers in January between Afghanistan and Iraq, there were two factors they cited when I signed their reenlistment papers after the ceremony.

The first one was that the $5,000 to $15,000 bump in the fiscal year 2005 authorization act for first term reenlistment was a deciding factor for them and their families. The second one, though, was—General McCarthy noted this—that the soldiers said, to a person: I am finally getting an opportunity to perform the skill for which I enlisted in the Army Reserve. That says to us that use of Reserve components, while not an anomaly in our Nation's history, has a decided effect on reenlisting the soldier.

Thus, I caution against those who would say that the stress on the Reserve components is such we should not use them. It is my judgment we will be more unready if we return to that kind of usage factor.

With regard to added incentives, I am conscious of the cost, and therefore it is my judgment that addressing the age at which the soldier becomes eligible to receive non-regular retired pay is a decided issue. I would also add that, while there is a decided monetary factor, our increase in money, I believe that we can create that money by looking at how we pay our soldiers on a daily basis.

Largely, we pay our soldiers through 27 different forms of orders, each of which carries different entitlements for different periods. The type I and II BAH, which has been examined, we should move to a simpler pay formula that largely pays the Reserve component member a day's pay for a day's duty with a single BAH and the same kinds of entitlements that the active member receives—flight pay, parachute duty, hazardous duty, language proficiency, medical proficiency, et cetera, a much simpler formula that would put them on a scale roughly equivalent to their active counterparts.

Last, I am not certain—in fact, I will tell you straight out, I share your concerns with regard to this pay comparability between my civilian employment level and the military pay. It is the lot of the American service member, all services, that all sacrifice. We have tremendous people in our Active components. To deny that some of them could achieve higher levels of pay in civilian life is a denial of the obvious. Many of them could.

I will turn it over to my colleagues, sir.

Senator STEVENS. I appreciate that.

Anyone else? Admiral.

Admiral COTTON. Sir, I would echo every one of the General's comments, and I would add three thoughts. I would say that recruiting for the Reserve component starts while still in the Active component. This is a culture piece that we are attacking in the Navy, to educate everyone in the Active component about the importance of the total force. We believe in this so much that we think that when you are in the Active component you should no longer fill out a resignation letter. We think instead you should fill

out a transition letter, because everyone does go to the Reserve component. We create expectations then.

When they go into the Reserve component, they either go full-time support, they become a selected reservist, or, as many of them do, they go into the IRR, the individual ready reserve, which I think that we have not paid much attention to in the past. There are a lot of skill sets out there. We need to devise the systems whereas we track people and incentivize them to update, probably web-based, the things that they are doing in their civilian lives that we could reach out and get them while under contract in the IRR. We call that Sea Warrior. We are using a five-vector model. We measure the civilian skill sets which sometimes are used in the global war on terror.

There is one other thought. There is a transition period, too. Our best recruit is someone who wants to re-serve. They are already trained. We recruit non-prior service, but the best people come with taxpayer money invested in them already as prior service. There is a transition period. For some people it is 3 months, 6 months; once they get steady, then they want to return to the force.

We need to open up the aperture going after those folks when they leave and incentivize them and our leadership to look at those folks. If people return within an amount of time, then the Active component should not be hurt on retention or attrition because they stay in the force.

Then last, about the parity, pay parity. We have to be careful of unintended consequences, because once you get in that foxhole, once you get out on the flight line, once you get aboard ship, when someone is earning more money than someone else because of some decision they made in prior life, you start to take apart good order and discipline. So I think we better watch that closely, sir.

Senator STEVENS. General McCarthy.

General MCCARTHY. Mr. Chairman, I have not heard anything from either General Helmly or Admiral Cotton that I disagree with. I think, quite frankly, that from my own service perspective that the bonuses that are in place right now seem in terms of recruiting and reenlistment, seem to be sufficient.

I will go back to what I said in my opening statement. Providing the funds and the equipment to enable first class training, first class preparation for combat of everybody in my force is the most important thing that I can do to recruit and retain the right people.

We have been asked and have made some transformations of the force. We have shifted, not a great deal, but we have made some shifts in force structure in line with what we have learned in the war. We have got to equip these new units with the things that they need. We have got the people now and we can call them newly transformed units, but if they are not equipped with the right gear we are going to lose those folks.

So those are very important issues, issues for us.

Senator STEVENS. Thank you.

General Bradley.

AIR FORCE RESERVE RETENTION AND EQUIPMENT

General BRADLEY. Senator Stevens, briefly—I will not elaborate at all. I agree completely with my colleagues. On the issue of bo-

nuses, they work certainly, but I do believe that there is an element of service that is keeping our people in, as General Helmly said earlier. They are very proud of what they are doing and the reason Air Force Reserve retention is higher than ever I believe is because people are very proud of what they do. They enjoy their jobs and their units and they believe they are contributing to something that is very good.

On the pay parity, it is a tough issue, but I believe the best quality of life is keeping people alive and the generosity that you all have shown, your subcommittee has shown, in helping fund our equipment items through the equipment accounts have had a dramatic impact on keeping people alive and giving us a much greater combat capability.

There is no free money anywhere, so making pay parity for the Federal Government, even though certainly employees would enjoy that, I think the inequities that it brings on between folks who are mobilized and Active component folks is not helpful. I would rather spend money that we could get for the continued equipment improvements that you have given us in the past, continuing to do those unfunded items that give us much greater combat capability. We have demonstrably improved our capabilities and are a much more effective force because of that, and I think that is where we ought to put the money, to give us the better equipment and properly equip our people so that they can stay alive and do that job.

Senator STEVENS. I have been called to the floor, but I do have one last question I would like to have your views on. We have been told that we have another amendment that is involved in our bills this year. We have been told that if the tempo of operations is such that people in the Guard and Reserve are being called up too often, one of the amendments says if they are called up for a period of time and serve more than 6 months they cannot be called up again for 1 year.

What would that do to your operations if we agreed to an amendment like that?

General HELMLY. Sir, as you know, the partial mobilization law under which we are operating carries with it a legal limit of 2 years, and I believe I am correct that the language in that law specifies that 2 years is computed as consecutive, 24 consecutive months. After the President declared partial mobilization in a national emergency on September 14, 2001, the Department of Defense issued guidance that limited us to a 12-month limit and that was to be counted as not consecutive but cumulative. We are still operating under that, except that frequently it is 18 months.

We have heard from Reserve component members in our force that they can stomach a deployment of about 12 to 14 months every 4 to 5 years. Thus, we have built a model that would routinely plan to call them to active duty for 6 to 9 months every 4 to 5 years, understanding it could be more frequently.

It is my judgment if we went to 6 months out of 18, that period of time we call dwell time in the Army, between the mobilization or call to active duty, is in fact too short and too frequent. I believe that we need to make the dwell time for the Reserve component member a minimum of 3 years, and that is why we are using the

4-to 5-year model, with 6 to 9 months' active duty during that time every 4 to 5 years.

Some people will wish to exceed that. I believe that our authorities, given increased flexibility, can accommodate that.

Senator STEVENS. Admiral Cotton.

Admiral COTTON. I would agree with the General and add a couple of thoughts. We tend to try to make it clean and simple, one rule fits all. In this case it does not. We have HD/LD—high demand, low density—capabilities and units that we seem to have an appetite for as we do phase four war. There also is an intensity factor as well as a definement of deployment. Deployment to Guantanamo Bay is far different than it is to the Sunni Triangle, as it is to the highlands of Afghanistan or to other installations around the world that we use to prosecute the global war on terror. So there is a fatigue factor for people going to different theaters.

We like to use a 6- to 7-month deployment model, with training en route as well as a decompression time, to limit to about 1 year. Then, using the Secretary of Defense's (SECDEF's) planning factor of 1 year out of 6, or 6 months every 3 years or however you want to do this, best use the skill set, keeping in mind that certain HD/LD assets are being used inside that planning factor just like the general set.

With that said, I would echo all the Generals that the response by our people is fantastic. Everywhere I go there are hands in the air for people to go for the first time as well as to go for the second and third time. Keeping in mind that some people cannot, we have other volunteers. So unit integrity is important, but I tell everyone that they are individually mobilizable, that they can train en route and fill the holes, the requirements we need.

Thank you, sir.

Senator STEVENS. General McCarthy.

General MCCARTHY. Sir, I would think that the provision that you talked about would be very destructive. One size does not fit all. My force is a different size and shape than Ron's and it needs a metric that fits the Marine Corps model, not something that is cast over everybody. So I think that 6 months and 1 year would be a bad and an adverse provision for the Marine Corps Reserve.

Senator STEVENS. Thank you very much.

General Bradley.

AIR FORCE RESERVE RECRUITMENT

General BRADLEY. Senator Stevens, sir, I would agree entirely with General McCarthy. The Air Force has a different model. We do as much as we can through volunteerism. In fact, we do a very large percentage of Air Force missions every day with volunteers.

That being said, we have mobilized nearly 40 percent of the Air Force Reserve since September 11, 2001. We have had thousands of people who have been mobilized, demobilized, and remobilized, sometimes three mobilizations. It certainly is a little bit disruptive. But I would be very opposed to tieing the hands of our service in being able to get access to the people it needs.

We are allowed, as senior leaders in the Air National Guard and Air Force Reserve, to work inside the service many times to use

volunteers to fill those slots. So it is not someone who is disrupted badly or opposed to it. So we would be opposed to those strictures.

Senator STEVENS. Well, thank you all very much. When Senator Hollings and I came back from that trip that I talked about, we recommended to Senator Stennis that he recommend to the Department that we use Guard and Reserve forces selectively in Europe. At that time there were none there at all. That interjected into the draftee regular services the volunteers who were in the Guard and Reserve for a short period of time at that time.

ADDITIONAL COMMITTEE QUESTIONS

But I do think that we have come a long way now with the total force, and you all make a terrific case for this. I have advocated that the Chief of the Guard and Reserve Bureau, and that it be that, have a place in the Joint Chiefs of Staff. That has never occurred, but I do think total force now calls for a permanent presence on the Joint Chiefs of Staff of a representative of all of these people who do fill in so often and so well into the total force. We are going to continue with that. I hope some day we will win.

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

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL JAMES R. HELMLY

QUESTION SUBMITTED BY SENATOR TED STEVENS

RECRUITING AND RETENTION

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities that you believe would be more helpful than what you currently have?

Answer. The Army Reserve is making every effort to improve recruiting and retention by utilizing the current incentives authorized and by recommending possible changes in laws and policies that are outdated for the current Global War on Terror missions. Prior to the implementation of the new bonuses (Oct–Dec), the average monthly reenlistment production was 1,241 reenlistments. The following are working well:

—The increase in the reenlistment bonus amount to $15,000; payable in lump sum and in conjunction with the expanded eligible years of service from 14 years to 16 years to qualify for a reenlistment bonus.

—The Selective Reenlistment Bonus (SRB) for Army Reserve, Active Guard Reserve (AGR). The total number of reenlistments for AGR Soldiers can be attributed to the SRB and expanding the eligible years of service from 14 years to 16 years to qualify for a reenlistment bonus. The number of Soldiers on their initial AGR tours increased along with the number of indefinite reenlistments.

After the implementation of the bonuses (Jan–May), the average monthly production rose to 1,511 reenlistments per month. That equates to a 22 percent increase in reenlistments after the introduction of the new bonuses. For AGR Soldiers, in fiscal year 2003, we had a total of 1,040 reenlistments, fiscal year 2004 1,527, and fiscal year 2005, as of June 30, a total of 1,515.

The Officer Affiliation Bonus implemented, January 25, 2005, has not had the anticipated effect of attracting Active Component officers to the Army Reserve as troop program unit members. The law that defines this incentive prohibits officers who have service in the Selected Reserve previously from being eligible for the incentive. The removal of this restriction along with an increase in the bonus amount from $6,000 to $20,000 will assist in reducing the Army Reserve company grade shortage. Other improvements we believe will assist us in recruiting and retention include establishing a stabilization policy for active duty Soldiers who have deployed and subsequently opt to join the Selected Reserve, increasing the Non-Prior Service Enlistment Bonus cap to $40,000, increasing the eligible years of service for a reenlistment bonus to 20 years, raising the SRB for AGR cap to $30,000, the TPU reenlist-

ment bonus cap to $45,000, the Officer Accession and Affiliation Bonus cap to $20,000, and increasing the Prior Service Enlistment Bonus cap to $25,000.

QUESTION SUBMITTED BY SENATOR RICHARD C. SHELBY

FISCAL YEAR 2006 ARMY RESERVE TRANSFORMATION

Question. What are the plans to transform the Army Reserve and why do you believe that during this time of war it is so important to radically change how the Army Reserve does business? Do you have the resources to accomplish this transformation, both equipment and personnel, and what can Congress do to assist?

Answer. ARFORGEN, the Army Force Generation Model, is a centerpiece of Army transformation. It is a managed force readiness framework through which all units flow. The Army Reserve organizes into expeditionary force packages of skill-rich combat support and combat service support units that complement other Army and Joint capabilities in support of Combatant Commanders. Unit manning strategies bring enhanced stability, facilitating training for Army Reserve Soldiers and units and growth and development of Army Reserve leaders. Advancing through "Reset/Train", "Ready", and "Available" force pools, these modular packages progress through individual training and increasingly complex collective training and achieve readiness levels heretofore unattainable. Additionally, this cyclic pattern eases one of the biggest concerns of our Soldiers, their families, and their employers—a lack of predictability, a major factor in recruiting and retention.

In order to fully support ARFORGEN, we are restructuring and modularizing our units in order to maximize operational capabilities. One element of that initiative is the establishment of a Trainees, Transients, Holdees, and Students (TTHS) account, similar to that used by the Active Army, which will allow commanders to focus on their primary mission—training Army Reserve Soldiers and units and growing and developing Army Reserve leaders. Active and intensive management of the TTHS ensures that Soldiers return to their units as quickly as possible. Another element is the divesture of unnecessary command and control (C^2) structure. Specifically, reducing non-deployable overhead by inactivating 10 Regional Readiness Commands (RRC) creates an opportunity to establish four Regional Readiness Sustainment Commands (RRSC) and new modular operational and deployable C^2 structures. While the manning, training, equipping, and sustaining strategies continue to be developed, Army Reserve transformation is generally resourced through investment and re-investment of available and programmed resources.

These changes are all taking place as the Department of Defense Base Realignment and Closure (BRAC) recommendations are being studied by the BRAC Commission. BRAC is a good news story for the Army Reserve, and, as an active participant in the process, the expectation is that the outcome will be very beneficial. Strategically placed, new and efficient Armed Forces Reserve Centers not only create efficiencies, but also encourage "Joint-ness" and honor our Soldiers and civilian employees by providing facilities commensurate with the quality of their service.

Finally, efforts are underway to reengineer the process by which Soldiers are mobilized and brought to active duty. They capitalize on all the initiatives mentioned above to move from an "alert-train-deploy" construct to a "train-alert-deploy" model. Central to those efforts are investments and reinvestments in all areas of Soldier readiness (medical, dental, training, and education) before mobilization to ensure that required capabilities are available to the Combatant Commanders as quickly and efficiently as possible.

QUESTIONS SUBMITTED TO VICE ADMIRAL JOHN G. COTTON

QUESTION SUBMITTED BY SENATOR TED STEVENS

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities that you believe would be more helpful than what you currently have?

Answer. The Fiscal Year 2005 National Defense Authorization Act made significant changes to our existing Reserve Component bonus structure, in many cases tripling the amount of bonuses as well as permitting lump sum payments. These changes have significantly enhanced our ability to compete for talent in a very challenging recruiting environment, as well as in our ability to retain quality Sailors.

The Department of Defense has submitted two legislative proposals for fiscal year 2006 that will provide additional authorities to further enhance our Reserve Component incentivization ability.

The first proposal would modify 37 U.S.C. 316 regarding payment of Foreign Language Proficiency Pay (FLPP) to permit payment of FLPP either in an annual lump sum or in installments.

This proposal would also permit both Active and Reserve Component members to receive the maximum of $12,000 in one year period, further enabling our ability to acquire and retain these GWOT-critical skill sets. This would increase the Reserve Component benefit to match the Active Component benefit.

The second proposal to 37 U.S.C. 308c would revise the existing Selected Reserve enlistment and affiliation bonuses to provide the Reserve components with a more flexible and enhanced incentive for members separating from active duty to affiliate with a unit or in a position in the Selected Reserve facing a critical shortage.

Section 618 of the 2005 National Defense Authorization Act increased the Selected Reserve enlistment bonus to $10,000, which will help the Reserve components meet their non-prior service recruiting objectives. This new proposal would extend the enhanced enlistment bonus to members who are separating from active duty and agree to affiliate with the Selected Reserve. The current prior service enlistment bonus is only available to individuals who have completed their military service obligation and been discharged. The current affiliation bonus for members with a remaining military service obligation is inadequate; it only pays members $50 for each month of remaining service obligation. This section would increase the maximum bonus amount paid to members with a remaining service obligation who agree to continue their military career by joining the Selected Reserve. Because of their military training and experience, the military departments place great emphasis on retaining these members in the Selected Reserve after they separate from active duty. It is more cost-effective and provides a more ready force than only recruiting individuals who never have served in the armed forces. Having the authority to provide a richer incentive to members who agree to serve in the Selected Reserve following release from active duty is increasingly more important in light of the recruiting challenges experienced by some Reserve components in fiscal year 2005.

QUESTION SUBMITTED BY SENATOR THAD COCHRAN

Question. Admiral Cotton, I have been informed that the Navy's Distributed Common Ground System has arrived at Naval Station Pascagoula. The potential Homeland Defense capabilities it can provide are impressive and we are glad to have it at the Naval Station. Admiral Clark stated that the Navy plays a critical role in supporting the Coast Guard with the Maritime Domain Awareness program. Your statement indicates that the Navy Reserve plans to fully support this initiative.

How will the Distributed Common Ground System support the Maritime Domain Awareness requirements?

Answer. The system associated with Pascagoula is the Littoral Surveillance System (LSS), which is a Navy System under the resource sponsorship of OPNAV N71 (Net-Centric Warfare Division). LSS is a legacy precursor of the Distributed Common Ground System (DCGS), which is designed to support deliberate strike and time sensitive targeting missions. There is no Navy requirement to utilize LSS or DCGS in support the Maritime Domain Awareness (MDA) mission.

The Navy plays an integrated role in supporting the Coast Guard in MDA. Ongoing efforts are focused in the areas of data fusion and a blue water broad area surveillance capability. A congressionally-directed Coast Guard demonstration of LSS will be conducted at the Joint Harbor Operations Center (JHOC) in Pascagoula.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL DENNIS M. MCCARTHY

QUESTION SUBMITTED BY SENATOR TED STEVENS

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities that you believe would be more helpful then what you currently have?

Answer. Incentives are an integral tool used in the proper manning of our Reserve Force. Currently, the recruiting and retention incentives working well for the Marine Corps include the enlistment and reenlistment bonus (Title 37, sec. 308b/c), the affiliation bonus (Title 37, sec. 308e), and the Montgomery GI Bill-SR Kicker. The authorized increases in the bonus amount for these bonuses in fiscal year 2005 will assist us in keeping our best and brightest Marines. The Marine Corps Reserve is in the process of implementing the Conversion Bonus (Title 37, sec. 326) in order to facilitate changes for Reserve Marines impacted by the recent changes approved by the 2004 Force Structure Review Group.

The funding increases and flexibility provided in the Fiscal Year 2005 National Defense Authorization Act are an invaluable asset to our continued recruitment and retention mission. The approved legislation allowing payment of an affiliation bonus for officers to serve in the Selected Marine Corps Reserve will greatly assist in increasing officer participation and meeting our current junior officer requirements. The ability to pay lump sum payments for enlistments and reenlistments is expected to increase the present value of the incentive and continue to positively influence highly qualified personnel. The Critical Skills Retention Bonus under consideration for fiscal year 2006 will provide us greater flexibility to meet the emerging requirements of the Global War on Terrorism and will allow us to better target bonuses where they are needed most.

The Marine Corps takes pride in prudent stewardship of the resources allocated to the Selective Reserve Incentive Program. Reserve Affairs has recently conducted a thorough review of its incentive programs and is in the process of improving the implementation of these programs. Many of the programs are in the initial stages of change and will be constantly monitored to improve their effectiveness.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL JOHN A. BRADLEY

QUESTION SUBMITTED BY SENATOR TED STEVENS

RECRUITING AND RETENTION

Question. What recruiting and retention incentives are working well for your services and are there any additional authorities that you believe would be more helpful then what you currently have?

Answer. Enlistment bonuses continue to work well, however, we are at a competitive disadvantage as other Services and Components have opted to fund these programs due to their current recruiting and retention problems.

Recruits routinely consider all the different Services and are aware of the bonus amounts available. When job counseling, applicants routinely ask, "What career fields are paying bonuses and how much?" Additional benefits of high interest are health benefits that bridge periods of non-active participation as well as expanded education benefits.

The Student Loan Repayment Program (SLRP) is an often-requested incentive. The Air National Guard offers enlistees the SLRP as do most other Services in the Department of Defense. A recent study by the National Center for Education Statistics shows that about 50 percent of recent college graduates have student loans with an average debt of about $10,000. In fiscal year 2004 almost 29 percent of all Air Force Reserve Component accession had some college and 17 percent of all enlisted accessions had some college.

Basic Allowance for Housing (BAH) rate II is a barrier to volunteerism. Eliminating BAH II will create parity with Active Duty members performing the same types of duty.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

FUTURE TOTAL FORCE

Question. General Bradley, with the intense pace of military operations around the world, all the Services must face tough decisions when it comes to providing enough experienced personnel to serve back home as instructors. I have been informed that the Air Force Reserve augments the active Air Force with experienced instructor pilots; ensuring flight training units like the one at Columbus Air Force Base have the personnel they need to train future forces. Does this budget request provide the necessary resources for the reserves to perform this additional mission?

Answer. The Air Force Reserve submitted a budget for fiscal year 2006 that attempted to provide adequate resources for all competing requirements. An aggregate of all unit-submitted requirements amounts to a significantly larger set of needs than the available resources. In the specific instance of the training being accomplished at Columbus AFB, full-time Active Guard/Reserve personnel provide much of the instructor workload. We also have a smaller population of Traditional Reserve personnel who also provide instruction. Both sets of personnel are resourced within the Reserve Personnel, Air Force and Air Force Reserve Operations and Management appropriations. In the broader context of providing both training and trained personnel in support of the Active Air Force, the Air Force Reserve also has three unit-equipped, Flight Training Units (FTUs), has Individual Mobilization

Augmentees (IMAs) assigned at most Air Force training venues, and provides a host of training resources at the many installations on which we are co-located or associated with active duty units. In all of these instances, there is recognition that additional resources would improve the quantity and quality of the support the Reserve would be able to provide. In terms of buying power, the re-allocation of resources from traditional Reserve training activities to supporting the Global War On Terrorism has significantly diminished school and qualification/certification training opportunities throughout the Air Force Reserve.

C–130E

Question. General Bradley, I am aware of the proposal to terminate the C–130J program, and the recent grounding of part of the C–130E fleet. I understand that the C–130 is being heavily used in on-going operations, and that its use in Iraq has reduced the number of truck convoys, and therefore reduced the exposure of our ground troops to threats like improvised explosive devices. If the C–130J program is terminated, what will be the impact on the reserve forces?

Answer. If the C–130J program is terminated, the short-term effect (five years) to Air Force Reserve Command (AFRC) is minimal, and the long-term impact (ten plus years) would be moderate. However, the indirect impact is yet to be determined as the program termination may result in the transfer of newer AFRC C–130H-models to active duty units to fill the C–130J gap.

No impacts to 815 AS, Keesler, MS. Unit will receive full complement of 8 x C–130J aircraft by end fiscal year 2007 under the pre-termination procurement plan.

Willow Grove will not receive 8 x C–130J in fiscal year 2014 and fiscal year 2015 as planned.

Current C–130E's at Willow Grove have no restrictions on the Center Wing Box (First restricted plane estimated fiscal year 2017).

Minneapolis-St Paul will not receive 8 x C–130J in fiscal year 2014 and fiscal year 2015 as previously planned.

C–130E aircraft were replaced with newer H models, therefore, no impact on mission.

Eight recently assigned C–130Hs to be modernized under the Aircraft Modernization Program in fiscal year 2010 and fiscal year 2011.

SUBCOMMITTEE RECESS

Senator STEVENS. Thank you all for your service. We are going to reconvene this subcommittee to hear testimony from Secretary Rumsfeld and General Myers on Wednesday, April 27. Thank you very much.

[Whereupon, at 11:42 a.m., Wednesday, April 20, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, April 27.]