DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2007

WEDNESDAY, MAY 24, 2006

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

The subcommittee met at 9 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens and Inouye.

NONDEPARTMENTAL WITNESSES

OPENING STATEMENT OF SENATOR DANIEL K. INOUYE

SENATOR INOUYE [presiding]. At the direction of the chairman of the subcommittee, I will be convening the hearing. The first panel consists of Major General William Matz, Jr., United States Army, retired, President of the National Association for Uniformed Services; Dr. William J. Strickland, Ph.D., American Psychological Association; Lieutenant Colonel Paul N. Austin, CRNA, Ph.D., retired, American Association of Nurse Anesthetists; fourth, Chris Hahn, Executive Director, Mesothelioma Applied Research Foundation; and fifth, Captain Robert C. Hurd, United States Navy, retired, and PO1 Jessica A. Vance, 2006 Naval Sea Cadet of the Year, U.S. Naval Sea Cadet Corps. Please come forward.

General Matz, welcome to the subcommittee, Sir.

STATEMENT OF MAJOR GENERAL WILLIAM M. MATZ, JR., UNITED STATES ARMY (RETIRED), PRESIDENT, NATIONAL ASSOCIATION FOR UNIFORMED SERVICES (NAUS)

General MATZ. Well, thank you, sir. Good morning. It is very good to see you again.

In representing the National Association for Uniformed Services, it is an honor, sir, for me to testify before such as distinguished a veteran as yourself from World War II. And it is a privilege to be invited to give our view on key issues before your Defense Subcommittee.

Sir, the annual defense appropriations is one of the most critical bills Congress considers. It serves a number of roles. First, it provides the wherewithal to insure that our military has the resources to meet any threat from abroad. And second and just as important, this measure provides for the men and women standing today on the frontlines of our Nation's defense. And third, the underlying bill can support not only troop morale, but can sustain morale by

providing the resources necessary to help keep our promise to those who served in past conflicts to defend America.

And as a veteran and as a career combat infantryman, it gives me great pride to ask you to support the most professional and dedicated military in the world. And so in this very short time allowed, let me touch on just a few issues taken from our more comprehensive written testimony that we have provided you.

Senator STEVENS. Your statement will be made part of the record.

General MATZ. Sir, quality health care is a very strong incentive to make military service a career. I know you are aware of that. And at a time when we are relying on our Armed Forces, the Defense Department's blueprint for military health care raises serious concerns to National Association of Uniformed Services (NAUS). This Department of Defense (DOD) proposal would result in increases in TRICARE fees and higher co-pays for pharmaceuticals for over 3 million retirees under the age of 65, and their families. If passed, these proposals would double and even triple annual fees for retirees and families. The value of the benefit earned by military retirees would clearly be certainly diminished.

We ask the Appropriations subcommittee to work with your colleagues to reject these DOD proposed increases, and then, sir, to clearly ensure full funding is provided to maintain the value of the health care benefit provided these men and women who are in the military.

All we are asking is what is best for our troops. NAUS urges you to confirm America's solemn moral obligation to support our troops, our retirees, and their families. They have kept their promise to our Nation, and we must continue to keep our promise to them.

Clearly, care for our catastrophically wounded troops with limb loss is also a matter of national concern. Recently, I had the opportunity to visit wounded warriors at Walter Reed Army Hospital, and also at the DOD hospitals in both San Antonio and Chicago. And sir, I can report that their spirits are very, very high, but they need our help.

Senator STEVENS [presiding]. Go on.

General MATZ. Chairman Stevens.

According to the commander of the Army's Physical Disability Agency, which is located at Walter Reed and responsible for evaluating whether a soldier is physically able to return to active duty, the caseload the agency reviews has increased by almost 50 percent since the wars in Iraq and Afghanistan. The need is great. The chief of rehabilitation at Walter Reed says about 15 percent of the amputees have lost more than one limb.

In order to help meet the challenge, Defense Department research must be adequately funded to continue its critical focus on treatment of troops surviving these very grievous injuries. The research program also requires funding for continued development of advanced prostheses that will focus on the use of prosthetics with microprocessors that will perform more like a natural limb.

And so accordingly, sir, we encourage the subcommittee to ensure that funding for the Defense Department's prosthetic research is adequate to support the full range of programs needed to meet

current and future health challenges facing these very seriously wounded veterans.

It is also our view that providing a seamless transition for recently discharged military is especially important for servicemembers leaving the military for medical reasons related to combat, particularly the most severely injured patients. So we call on the subcommittee to ensure adequate funding is available to DOD to cover the expenses providing for seamless care of our servicemembers.

Also, NAUS supports a higher—sir?

Senator STEVENS. We have a joint session this morning, so we are just going to have to keep moving. We will read your accompanying statement.

General MATZ. Okay, sir. Thank you for the opportunity to come before you.

Senator STEVENS. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF MAJOR GENERAL WILLIAM M. MATZ

Chairman Stevens, ranking member Inouye, and Members of the subcommittee, good morning. It is a pleasure to appear before you today to present the views of The National Association for Uniformed Services on the 2007 Defense appropriations bill.

My name is William M. Matz, president of The National Association for Uniformed Services (NAUS). And for the record, NAUS has not received any Federal grant or contract during the current fiscal year or during the previous 2 years in relation to any of the subjects discussed today.

As you know, Mr. Chairman, NAUS, founded in 1968, represents all ranks, branches and components of uniformed services personnel, their spouses and survivors. The association includes all personnel of the active, retired, Reserve and National Guard, disabled veterans, veterans community and their families. We love our country, believe in a strong national defense, support our troops and honor their service.

Mr. Chairman, as our terrorist enemies remind us, the first and most important responsibility of our government is the protection of our citizens. As we all know, we are at war. That is why the measure we are working on is so very important. It is critical that we provide the resources to those who fight for our protection and our way of life. We must support our courageous troops. And we must recognize as well that we must provide priority funding to keep the promises made to the generations of warriors whose sacrifice has paid for today's freedom.

At the start, I want to express a NAUS concern about the amount of our investment in our national defense. Not since post-World War I has our provision for our military been so low a percentage—less than 4 percent—of today's GNP. Resources are required to ensure our military is fully staffed, trained, and equipped to achieve victory against our enemies. Good-natured ignorance in a time when we face such serious threats is not a luxury we can afford. And we depend on leaders in Congress with the Nation's support to balance our priorities and ensure our defense in a dangerous world.

Here, I would like to make special mention of the leadership and contribution this panel has made in providing the resources and support our forces need to complete their mission. Defending the United States homeland and the cause of freedom means that the dangers we face must be confronted. And it means that the brave men and women who put on the uniform must have the very best training, best weapons, best care and wherewithal we can give them.

Mr. Chairman, you and those on this important panel have taken every step to give our fighting men and women the funds they need, despite allocations we view as insufficient for our total defense needs. You have made difficult priority decisions that have helped defend America and taken special care of one of our greatest assets, namely our men and women in uniform.

And NAUS is very proud of the job this generation of Americans is doing to defend America. Every day they risk their lives, half a world away from loved ones. Their daily sacrifice is done in today's voluntary force. What they do is vital to our security. And the debt we owe them is enormous.

In this regard, the members of NAUS applaud Congress for the actions you have taken over the last several years to close the pay gap, provide bonuses for specialized skill sets, and improve the overall quality of life for our troops and the means necessary for their support.

Our association does have, however, some concerns about a number of matters. Among the major issues that we will address today is the provision of a proper health care for the military community and recognition of the funding requirements for TRICARE for retired military. Also, we will ask for adequate funding to improve the pay for members of our armed forces, to protect against expiring bonuses and allowances, and to address a number of other challenges including TRICARE Reserve Select and the Survivor Benefit Plan.

We also have a number of related priority concerns such as the diagnosis and care of troops returning with Post Traumatic Stress Disorder (PTSD), the need for enhanced priority in the area of prosthetics research, and providing improved seamless transition for returning troops between the Department of Defense (DOD) and the Department of Veterans Affairs (VA). In addition, we would like to ensure that adequate funds are provided to defeat injuries from the enemy's use of Improvised Explosive Devices.

MILITARY QUALITY OF LIFE: HEALTH CARE

Quality health care is a strong incentive to make military service a career. The Defense blueprint for military healthcare raises serious concern to NAUS. DOD recommends saving $735 million through sharp increases in TRICARE fees and higher copays for pharmaceuticals for 3.1 million retirees under age 65 and their families.

To achieve these savings, Defense officials want to triple annual enrollment fees for TRICARE Prime by October 2007 for officers, to $700 from $230 a year for individuals and to $1,400 from $460 per year for families. For retired E–6 and below, the fee would jump nearly 50 percent, to $325/$650 from $230/$460. And for E–7 and above, the jump would more than double to $475/$950 from $230/$460.

The defense budget also requests the establishment of a TRICARE Standard enrollment fee and an increase in the annual amount of deductible charges paid by retirees using standard coverage. The standard beneficiary already pays a 25 percent cost share (and an added 15 percent for non-participating providers). Should Congress approve the DOD request to increase deductibles and initiate an annual fee, the value of the benefit earned by military retirees using standard would be greatly diminished.

DOD officials also recommend changes in TRICARE retail pharmacy copayments. The plan calls for reducing copays for mail order generic prescriptions to $0 (zero) from $3; and increasing copays for retail generic drugs to $5 from $3 and for retail brand drugs to $15 from $9. The copayment for non-formulary prescriptions would remain at $22.

The assertion behind the proposals is to have working-age retirees and family members pay a larger share of TRICARE costs or use civilian health plans offered by employers. In recent testimony before your subcommittee, Dr. Winkenwerder indicated that the plan would force more than 100,000 retirees to leave their TRICARE coverage due to added costs.

NAUS asks the appropriations panel to work with your colleagues to reject the DOD proposed increases; and then ensure full funding is provided to maintain the value of the healthcare benefit provided those men and women willing to undergo the hardships of a military career.

When world events are in constant change and instability and uncertainty are the rule, we are concerned that the current 302(b) allocation given this subcommittee may not fully fill the gap from the lost "revenue" of the Pentagon's proposed TRICARE fees, which the administration estimated would bring in $735 million. We cannot believe this astonishing situation is something our elected Members of Congress would allow to go unfilled. Generations of us have fought to build a better Nation and now we are told that our health care benefits cost too much. Frankly, that kind of thinking can get America into trouble. You cannot recruit future military if the word gets out that America does not keep the promises made to those who served her.

We urge the subcommittee to fill this funding gap. And we urge Congress to strip DOD's authority to raise certain TRICARE fees and copays unilaterally without partnership or even consultation with our elected Congress.

NAUS firmly believes that the fiscal year 2001 landmark legislation establishing TRICARE providing new pharmacy and medical benefits to military retirees and their families represents an irreplaceable national investment, critical to the Nation and its warriors. The provision of quality, timely care is considered one of the most

important benefits afforded the career military. What you have done reflects the commitment of a nation, and it deserves your wholehearted support.

We urge the subcommittee to take the actions necessary for honoring our obligation to those men and women who have worn the Nation's military uniform. Clearly, when DOD does not receive adequate funding, it is forced to look toward benefits as a source of potential "revenue," and this should not be allowed to occur.

All we are asking is what is best for our service men and women and those who have given a career to armed service. NAUS urges you to confirm America's solemn, moral obligation to support our troops, their families, military retirees, and theirs. They have kept their promise to our Nation, and now it's time for us to keep our promise to them.

MILITARY QUALITY OF LIFE, PAY

For fiscal year 2007, the administration recommends a 2.2 percent across-the-board pay increase for members of the Armed Forces. While this is the lowest raise provided since 1994, the increase, according to the Pentagon, is designed to keep military pay in line with civilian wage growth. The Defense proposal also calls for an unspecified mid-year targeted raise. NAUS trusts the panel will ensure that these targeted raises are aimed to reward certain necessary skills and aim as well at E–7s, E–8s and E–9s and warrant officers to help retention of experience.

Congress and the administration have done a good job over the recent past to narrow the gap between civilian-sector and military pay. The gap, which was as great as 14 percent in the late 1990s, has been reduced to nearly 4.3 percent with the January 2006 pay increase.

The pay differential is important to recruitment. As an example, an electronic technician is currently paid approximately 3.5 to 4 percent less than his counterpart in the private sector. A few years ago, the differential was as much as 12 percent. We've got to get it down, and we have made significant strides. But we can do better and we should.

To attract high-quality personnel, we urge the appropriations panel to never lose sight of the fact that our DOD manpower policy needs a compensation package that is reasonable and competitive. Bonuses have role in this area. Bonuses for instance can pull people into special jobs that help supply our manpower for critical assets, and they can also entice "old hands" to come back into the game with their skills.

Understanding that congressional leaders have under consideration provisions to raise basic pay for all individuals in the uniformed services by 2.7 percent, NAUS asks you to do all you can to ensure in this tight budget situation that any increase above the standard calculation accrue solely to those in the military rather than the civilian federal employees. The frank truth is that our Armed Forces face far greater risks and dangers than our civilian workforce. And though we may never be able to fully compensate these brave men and women for being in harm's way, we should clearly recognize the risks they face and make every effort to appropriately compensate them for the job they do.

MILITARY QUALITY OF LIFE, ALLOWANCES

NAUS strongly supports revised housing standards within the Basic Allowance for Housing (BAH). We are most grateful for the congressional actions reducing out-of-pocket housing expenses for servicemembers over the last several years. Despite the many advances made, many enlisted personnel continue to face steep challenge in providing themselves and their families with affordable off-base housing and utility expenses. BAH provisions must ensure that rates keep pace with housing costs in communities where military members serve and reside. Efforts to better align actual housing rates can reduce unnecessary stress and help those who serve better focus on the job at hand, rather than the struggle with meeting housing costs for their families.

NAUS urges the subcommittee to provide adequate funding for military construction and family housing accounts used by DOD to provide our servicemembers and their families quality housing. The funds for base allowance and housing should ensure that those serving our country are able to afford to live in quality housing whether on or off the base. The current program to upgrade military housing by privatizing defense housing stock is working well. We encourage continued oversight in this area to ensure joint military-developer activity continues to improve housing options. Clearly, we need to be particularly alert to this challenge as we implement BRAC and related rebasing changes.

NAUS also asks special provision be granted the National Guard and Reserve for planning and design in the upgrade of facilities. Since the terrorist attacks of September 11, 2001, our Guardsmen and Reservists have witnessed an upward spiral

in the rate of deployment and mobilization. The mission has clearly changed, and we must recognize they account for an increasing role in our national defense and homeland security responsibilities. The challenge to help them keep pace is an obligation we owe for their vital service.

SURVIVOR BENEFIT PLAN

There are two primary ways in which survivors of military personnel receive military related benefits: The Survivor Benefits Plan (SBP), which is based on time and service; and, Dependency and Indemnity Compensation (DIC), which provides a flat monthly payment after a service-connected death.

Many military members and retirees have paid for SBP and have the most obvious of expectations to receive what was paid for. Surprisingly, that's not what happens. Under current law, SBP is reduced one dollar for each dollar received under DIC. A dollar is taken from one benefit for every dollar a survivor receives in the other.

Survivors of retirees, upon eligibility for DIC, lose a majority—or all too often—the entire amount of their monthly SBP annuity.

In addition, military retirees age 70 and older, who have paid into the plan for more than 30-years, are required to continue to pay until October 2008. Military retirees who enrolled for SBP at the initial enrollment date in 1972 will this year be paying premiums for 34 years and by 2008 36 years.

NAUS encourages members of the panel to provide financing to correct this unfair situation. Allow military survivors the benefit their loved one paid for their quality of life. And press to see that retirees age 70 or more who have paid into SBP are no longer required to pay premiums.

DEPARTMENT OF DEFENSE, SEAMLESS TRANSITION BETWEEN THE DOD AND VA

The President's Task Force (PTF) to Improve Health Care Delivery for Our Nation's Veterans report, released in May 2003 regarding transition of soldiers to veteran status, stated, "timely access to the full range of benefits earned by their service to the country is an obligation that deserves the attention of both VA and DOD." NAUS agrees with this assertion and believes that good communication between the two Departments means our government can better identify, locate and follow up with injured servicemembers separated from the military.

It is our view that providing a seamless transition for recently discharged military is especially important for servicemembers leaving the military for medical reasons related to combat, particularly for the most severely injured patients.

Most important in the calculus of a seamless transition is the capacity to share information at the earliest possible moment prior to separation or discharge. It is essential that surprises be reduced to a minimum to ensure that all troops receive timely, quality health care and other benefits earned in military service.

To improve DOD/VA exchange, the hand-off should include a detailed history of care provided and an assessment of what each patient may require in the future, including mental health services. No veteran leaving military service should fall through the bureaucratic cracks.

Another area that would enhance a seamless transition for our uniformed services is the further expansion of single-stop separation physical examinations. A servicemember takes a physical exam when he is discharged. While progress is being made in this area, we recommend expanding the delivery at discharge (BDD) program to all discharge locations in making determination of appropriate benefits before separation. This will allow more disabled veterans to receive their service-connected benefits sooner.

NAUS compliments DOD and VA for following through on establishing benefits representatives at military hospitals. This is an important step and can often reduce the amount of frustration inherent in the separation process for service members and their families.

NAUS calls on the subcommittee to ensure adequate funding is available to DOD and VA to cover the expenses of providing for these measures. Taking care of veterans is a national obligation, and doing it right sends a strong signal to those currently in military service as well as to those thinking about joining the military.

DEFENSE DEPARTMENT FORCE PROTECTION

NAUS urges the subcommittee to provide adequate funding to rapidly deploy and acquire the full range of force protection capabilities for deployed forces. This would include resources for up-armored high mobility multipurpose wheeled vehicles and add-on ballistic protection to provide force protection for soldiers in Iraq and Afghanistan, ensure up-activity for joint research and treatment effort to treat combat

blast injuries resulting from improvised explosive devices (IEDs), rocket propelled grenades, and other attacks; and facilitate the early deployment of new technology, equipment, and tactics to counter the threat of IEDs.

We ask special consideration be given to counter IEDs, defined as makeshift or "homemade" bombs, often used by enemy forces to destroy military convoys and currently the leading cause of casualties to troops deployed in Iraq. These devices are the weapon of choice and, unfortunately, a very efficient weapon used by our enemy. The Joint Improvised Explosive Device Defeat Organization (JIEDDO) is established to coordinate efforts that would help eliminate the threat posed by these IEDs. We urge efforts to advance investment in technology to counteract radio-controlled devices used to detonate these killers. Maintaining support is required to stay ahead of the changing enemy and to decrease casualties caused by IEDs.

DEFENSE HEALTH PROGRAM—TRICARE RESERVE SELECT

Mr. Chairman, another area that requires attention is Reservist participation in TRICARE. As we are all aware, National Guard and Reserve personnel have seen an upward spiral of mobilization and deployment since the terrorist attacks of September 11, 2001. The mission has changed and with it our reliance on these forces has risen. Congress has recognized these changes and begun to update and upgrade protections and benefits for those called away from family, home and employment to active duty. We urge your commitment to these troops to ensure that the long overdue changes made in the provision of their heath care and related benefits is adequately resourced. We are one force, all bearing a full share of the load.

DEPARTMENT OF DEFENSE, PROSTHETIC RESEARCH

Clearly, care for our troops with limb loss is a matter of national concern. The global war on terrorism in Iraq and Afghanistan has produced wounded soldiers with multiple amputations and limb loss who in previous conflicts would have died from their injuries. Improved body armor and better advances in battlefield medicine reduce the number of fatalities, however injured soldiers are coming back oftentimes with severe, devastating physical losses.

As of December 31, 2005, 16,329 troops had been wounded but survived their injuries, according to U.S. Defense Department figures. And according to Col. Daniel Garvey, USA, deputy commander of the U.S. Army Physical Disability Agency, located at Walter Reed and responsible for evaluating whether a soldier is physically able to return to active duty, the caseload the agency reviews has increased by almost 50 percent since the wars in Afghanistan and Iraq began.

The need is great. Lt. Col. Paul Pasquina, chief of physical medicine and rehabilitation at Walter Reed, says about 15 percent of the amputees at Walter Reed have lost more than one limb. And according to Lt. Col. Jeffrey Gambel, chief of the amputee clinic, about one-third of the amputations done on recently injured service members have involved upper extremities, because of the types of munitions used by the enemy.

In order to help meet the challenge, Defense Department research must be adequately funded to continue its intent on treatment of troops surviving this war with grievous injuries. The research program also requires funding for continued development of advanced prosthesis that will focus on the use of prosthetics with microprocessors that will perform more like the natural limb.

NAUS encourages the subcommittee to ensure that funding for Defense Department's prosthetic research is adequate to support the full range of programs needed to meet current and future health challenges facing wounded veterans. To meet the situation, the subcommittee needs to focus a substantial, dedicated funding stream on Defense Department research to address the care needs of a growing number of casualties who require specialized treatment and rehabilitation that result from their armed service.

We would also like to see better coordination between the Department of Defense Advanced Research Projects Agency and the Department of Veterans Affairs in the development of prosthetics that are readily adaptable to aid amputees.

NAUS looks forward to working with you, Mr. Chairman, to see that priority is given to care for these brave men and women who in defense of freedom and our way of life were seriously wounded.

DEPARTMENT ON VETERANS AFFAIRS, POST TRAUMATIC STRESS DISORDER (PTSD)

NAUS supports a higher priority on Defense Department care of troops demonstrating symptoms of mental health disorders and treatment for PTSD.

The mental condition known as PTSD has been well known for over 100 years under an assortment of different names. For example more than 50 years ago, Army

psychiatrists reported, "That each moment of combat imposes a strain so great that psychiatric casualties are as inevitable as gunshot and shrapnel wounds in warfare."

According to a recent Government Accountability Office draft report, nearly four in five service members returning from the wars in Iraq and Afghanistan who were found to be at risk for PTSD were never referred for further help. The Defense Department has not explained why some troops are referred for help and some are not.

Pre-deployment and post-deployment medicine is very important. Our legacy of the Gulf War demonstrates the concept that we need to understand the health of our service members as a continuum, from pre- to post-deployment. However, not only does DOD need programs to assess a service member's medical status and a method to evaluate their health during time in war, it also needs to administer treatment quickly and effectively to mitigate injuries and save lives.

PTSD is a serious psychiatric disorder. While the government has demonstrated over the past several years a higher level of attention to those military personnel who exhibit PTSD symptoms, more should be done to assist servicemembers found to be at risk.

NAUS applauds the extent of help provided by the Defense Department, however we encourage that more resources be made available to assist. Early recognition of the symptoms and proactive programs are essential to help many of those who must deal with the debilitating effects of mental injuries, as inevitable in combat as gunshot and shrapnel wounds.

NAUS encourages the Members of the subcommittee to provide for these funds and to closely monitor their expenditure to see they are not redirected to other areas of defense spending.

While Defense Department officials and congressional leaders have taken important steps to advance better care for those with mental health problems, many challenges still remain. NAUS urges the development of a consistent, seamless, and working approach that allows DOD to screen returning service members and provide more effective early intervention that leads to healing.

MILITARY QUALITY OF LIFE, CONCURRENT RECEIPT

Since the fiscal year 2003 National Defense Authorization Act (NDAA) authorized a special compensation for certain military retirees injured in combat, Congress has advanced NAUS-supported concurrent receipt to include benefits to most military retirees with combat related disabilities and personnel with service-connected VA disability ratings of 50 percent or higher.

In last year's NDAA, Congress accelerated the phase in of concurrent receipt for individuals rated 100 percent disabled as a result of individual unemployability. NAUS urges members to press legislation for full and complete concurrent receipt to all disabled retirees, including those individuals medically discharged from service prior to achieving 20 years of service.

NAUS would also like to see the availability of concurrent receipt to all those forced into retirement with less than 20 years service. Currently combat related special compensation is denied to those warriors who were so severely wounded they couldn't serve out their full careers. Retired short of their 20-years, through no fault of their own, they continue to pay for their battle wounds. We urge members of this panel to encourage Congress to care for these troops and never forget the price they paid for service to country.

ARMED FORCES RETIREMENT HOME

NAUS is pleased to note the subcommittee's continued interest in providing funds for the Armed Forces Retirement Home (AFRH). As you know, home residents were evacuated for care and treatment to the Washington, DC, retirement home the day after Hurricane Katrina struck and damaged the facility at Gulfport, Mississippi. While the District of Columbia facility is currently undergoing transformation to absorb the change, we are seriously concerned about the future of the Gulfport home. We urge the subcommittee to provide adequate funding to help alleviate the strains on the Washington home. And we urge funding be set aside to do the planning and design work to rebuild the Gulfport home.

NAUS also asks the subcommittee to investigate administration plans to sell great portions of the Washington AFRH to developers. The AFRH home is a historic national treasure, and we recommend that Congress find an alternate means to continue providing a residence for and quality-of-life support to these deserving veterans without turning most of this pristine campus over to developers.

UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES

As you know, the Uniformed Services University of the Health Sciences (USUHS) is the Nation's Federal school of medicine and graduate school of nursing. The medical students are all active-duty uniformed officers in the Army, Navy, Air Force and U.S. Public Health Service who are being educated to deal with wartime casualties, national disasters, emerging diseases and other public health emergencies.

NAUS supports the USUHS and requests adequate funding be provided to ensure continued accredited training, especially in the area of chemical, biological, radiological and nuclear response. In this regard, it is our understanding that USUHS requires funding for training and educational focus on biological threats and incidents for military, civilian, uniformed first responders and healthcare providers across the Nation.

JOINT POW/MIA ACCOUNTING COMMAND (JPAC)

We also want the fullest accounting of our missing servicemen and ask for your support in DOD dedicated efforts to find and identify remains. It is a duty we owe to the families of those still missing as well as to those who served or who currently serve. And as President Bush said, "It is a signal that those who wear our country's military uniform will never be abandoned."

In this regard, it is our understanding that the priority has been lowered for the mission of the Joint POW/MIA Accounting Command (JPAC). DOD funding has been redirected to other activities and POW/MIA operations in South East Asia have been canceled or scaled back. We request you look into this report and ensure that the $65 million required to support the JPAC mission for fiscal year 2007 is fully funded and allocated as needed.

APPRECIATION FOR OPPORTUNITY TO TESTIFY

As a staunch advocate for our uniformed service men and women, NAUS recognizes that these brave men and women did not fail us in their service to country, and we, in turn, must not fail them in providing the benefits and services they earned through honorable military service.

Mr. Chairman, NAUS appreciates the subcommittee's hard work. We ask that you continue to work in good faith to put the dollars where they are most needed: in strengthening our national defense, ensuring troop protection, compensating those who serve, providing for DOD medical services including TRICARE, and building adequate housing for military troops and their families, and in the related defense matters discussed today. These are some of our Nation's highest priority needs and we ask that they be given the level of attention they deserve.

NAUS is confident you will take special care of our Nation's greatest assets: the men and women who serve and have served in uniform. We are proud of the service they give to America every day. They are vital to our defense and national security. The price we pay as a Nation for their earned benefits is a continuing cost of war, and it will never cost more or equal the value of their service.

We thank you for your efforts, your hard work. And we look forward to working with you to ensure we continue to provide sufficient resources to protect the earned benefits for those giving military service to America every day.

Again, NAUS deeply appreciates the opportunity to present the association's views on the issues before the Defense Appropriations Subcommittee.

Senator STEVENS. Our next witness is Dr. William Strickland of the American Psychological Association. We do apologize for the timeframe here. We are going to have a vote at 9:30, and then a joint session—two votes at 9:30.

Thank you, Dr. Strickland.

STATEMENT OF DR. WILLIAM J. STRICKLAND, Ph.D., VICE PRESIDENT, HUMAN RESOURCES RESEARCH ORGANIZATION, ON BEHALF OF THE AMERICAN PSYCHOLOGICAL ASSOCIATION

Dr. STRICKLAND. Mr. Chairman, Senator Inouye, I'm Bill Strickland. I'm the former Director of Human Resources Research for the Air Force, and I'm currently the Vice President at the Human Resources Research Organization. I want to thank you for the opportunity to testify today on behalf of the American Psychological As-

sociation, or APA, a scientific and professional organization of more than 150,000 psychologists and affiliates.

Although I'm sure you're both aware of the large number of psychologists providing clinical services to our military members and families here and abroad, you may be less familiar with the extraordinary range of research conducted by psychological scientists within DOD. Behavioral researchers at work on issues critical to national defense with support from the Army Research Institute, and Army Research Laboratory, the Office of Naval Research, the Air Force Research Laboratory, and smaller, human systems research programs in the office of the Secretary of Defense, Defense Advanced Research Projects Agency (DARPA), the Marine Corps, and Special Operations Command.

In fiscal year 2006, the administration requested $10.52 billion for defense, science, and technology; a huge cut from fiscal year 2005. Congressional appropriators in turn provided a significant increase to a total of $13.24 billion. For fiscal year 2007, the President's budget request of the $11.08 billion for defense service and technology (S&T) again falls short. The request for basic and applied defense research represents a 16.3 percent decrease from the enacted fiscal year 2006 level. We ask the Appropriations subcommittee's help in restoring critical defense research funding. APA joins the coalition for national security research, a group of over 40 scientific associations and universities, in urging the subcommittee to reverse this cut.

APA requests a total of $13.4 billion for defense S&T. This would maintain DOD spending on applied 6.2 and 6.3 research, and support a 10 percent increase in 6.1 research in fiscal year 2007, as recommended in the National Academy of Science's report, "Rising Above the Gathering Storm."

The total spending on behavioral and cognitive research; in other words, human-centered research, within DOD also has declined in the President's fiscal year 2007 budget. In addition, the Senate Armed Services Committee has proposed cutting human-centered research in fiscal year 2007 in the fiscal year 2007 defense authorization. As one example, the authorizers recommend cutting by one-third a Navy research program on human factors.

Behavioral and cognitive research in the broad categories of personnel, training, and later development; warfighter protection, sustainment, and physical performance; system interfaces and cognitive processing; and intelligence-related processes such as detection of deception; is absolutely critical to national security. And it is critical that DOD sponsor this research directly. As DOD noted in its own report to the Senate Appropriations Committee, quote: "Military knowledge needs are not sufficiently like the needs of the private sector that retooling behavioral, cognitive, and social science research carried out for other purposes can be expected to substitute for service-supported research, development, testing, and evaluation. Our choice, therefore, is between paying for it ourselves and not having it," close quote.

In today's environment, who would knowingly choose to live without research that enhances the recruiting, selection, training, and retaining of that fighting force required to operate, maintain, and support the advanced weapons systems we are supporting

today? We urge you to support the men and women on the frontlines by reversing another round of dramatic, detrimental cuts to both the overall defense S&T account, and more specifically, to the human-oriented research programs within the military laboratories.

Thank you for your time this morning.

Senator STEVENS. Thank you very much. We appreciate that. We are quite worried about those numbers. We will do our best.

Dr. STRICKLAND. Thank you, sir.

[The statement follows:]

PREPARED STATEMENT OF WILLIAM J. STRICKLAND

Mr. Chairman and Members of the subcommittee, I'm Dr. Bill Strickland, former director of Human Resources Research for the Air Force and current vice president of the Human Resources Research Organization. I am submitting testimony on behalf of the American Psychological Association (APA), a scientific and professional organization of more than 150,000 psychologists and affiliates.

Although I am sure you are aware of the large number of psychologists providing clinical services to our military members here and abroad, you may be less familiar with the extraordinary range of research conducted by psychological scientists within the Department of Defense (DOD). Our behavioral researchers work on issues critical to national defense, with support from the Army Research Institute (ARI) and Army Research Laboratory (ARL); the Office of Naval Research (ONR); the Air Force Research Laboratory (AFRL), and additional, smaller human systems research programs in the Office of the Secretary of Defense, the Defense Advanced Research Projects Agency (DARPA), the Marine Corps, and the Special Operations Command.

I would first like to address the fiscal year 2007 human-centered research budgets for the military laboratories and programs within the context of the larger DOD Science and Technology (S&T) budget, and close by mentioning a tremendous new Defense Graduate Psychology Education program to better train military and civilian psychologists who provide clinical care to our military personnel and their families.

DOD SCIENCE AND TECHNOLOGY BUDGET

The President's budget request for basic and applied research at DOD in fiscal year 2007 is $11.08 billion, a 16.3 percent decrease from the enacted fiscal year 2006 level of $13.24 billion. APA joins the Coalition for National Security Research (CNSR), a group of over 40 scientific associations and universities, in urging the subcommittee to reverse this cut. APA requests a total of $13.40 billion for Defense S&T. This would maintain DOD spending on applied (6.2 and 6.3 level) research and support a 10 percent increase for basic (6.1) defense research in fiscal year 2007, as recommended in the National Academies report "Rising Above the Gathering Storm".

As our Nation rises to meet the challenges of current engagements in Iraq and Afghanistan as well as other asymmetric threats and increased demand for homeland defense and infrastructure protection, enhanced battlespace awareness and warfighter protection are absolutely critical. Our ability to both foresee and immediately adapt to changing security environments will only become more vital over the next several decades. Accordingly, DOD must support basic Science and Technology (S&T) research on both the near-term readiness and modernization needs of the department and on the long-term future needs of the warfighter.

In fiscal year 2006, the administration requested $10.52 billion for defense S&T, a huge cut from fiscal year 2005. Congressional appropriators in turn provided a significant increase, for a total of $13.24 billion. For fiscal year 2007, the President's budget request of $11.08 billion for DOD S&T again falls short, and we ask for the Appropriations Subcommittee's help in restoring critical defense research funding.

Despite substantial appreciation for the importance of DOD S&T programs on Capitol Hill, and within independent defense science organizations such as the Defense Science Board (DSB), total research within DOD has remained essentially flat in constant dollars over the last few decades. This poses a very real threat to America's ability to maintain its competitive edge at a time when we can least afford it. APA, CNSR and our colleagues within the science and defense communities recommend increasing the 6.1 basic research account within DOD S&T by 10 percent

and at a minimum, maintaining the current funding levels for the 6.2 and 6.3 applied research programs in order to maintain global superiority in an ever-changing national security environment.

BEHAVIORAL RESEARCH WITHIN THE MILITARY SERVICE LABS AND DOD

The Department of Defense met a previous Senate Appropriations Committee mandate by producing its report on "Behavioral, Cognitive and Social Science Research in the Military". The Senate requested this evaluation due to concern over the continuing erosion of DOD's support for research on individual and group performance, leadership, communication, human-machine interfaces, and decision-making. In responding to the committee's request, the Department found that "the requirements for maintaining strong DOD support for behavioral, cognitive and social science research capability are compelling" and that "this area of military research has historically been extremely productive" with "particularly high" return on investment and "high operational impact."

Within DOD, the majority of behavioral, cognitive and social science is funded through the Army Research Institute (ARI) and Army Research Laboratory (ARL); the Office of Naval Research (ONR); and the Air Force Research Laboratory (AFRL). These military service laboratories provide a stable, mission-oriented focus for science, conducting and sponsoring basic (6.1), applied/exploratory development (6.2) and advanced development (6.3) research. These three levels of research are roughly parallel to the military's need to win a current war (through products in advanced development) while concurrently preparing for the next war (with technology "in the works") and the war after next (by taking advantage of ideas emerging from basic research). All of the services fund human-related research in the broad categories of personnel, training and leader development; warfighter protection, sustainment and physical performance; and system interfaces and cognitive processing.

Behavioral and cognitive research programs eliminated from the mission labs due to cuts or flat funding are extremely unlikely to be picked up by industry, which focuses on short-term, profit-driven product development. Once the expertise is gone, there is absolutely no way to "catch up" when defense mission needs for critical human-oriented research develop. As DOD noted in its own report to the Senate Appropriations Committee:

"Military knowledge needs are not sufficiently like the needs of the private sector that retooling behavioral, cognitive and social science research carried out for other purposes can be expected to substitute for service-supported research, development, testing, and evaluation . . . our choice, therefore, is between paying for it ourselves and not having it."

The following are brief descriptions of important behavioral research funded by the military research laboratories:

ARMY RESEARCH INSTITUTE FOR THE BEHAVIORAL AND SOCIAL SCIENCES (ARI) AND ARMY RESEARCH LABORATORY (ARL)

ARI works to build the ultimate smart weapon: the American soldier. ARI was established to conduct personnel and behavioral research on such topics as minority and general recruitment; personnel testing and evaluation; training and retraining; and attrition. ARI is the focal point and principal source of expertise for all the military services in leadership research, an area especially critical to the success of the military as future war-fighting and peace-keeping missions demand more rapid adaptation to changing conditions, more skill diversity in units, increased information-processing from multiple sources, and increased interaction with semi-autonomous systems. Behavioral scientists within ARI are working to help the Armed Forces better identify, nurture and train leaders.

Another line of research at ARI focuses on optimizing cognitive readiness under combat conditions, by developing methods to predict and mitigate the effects of stressors (such as information load and uncertainty, workload, social isolation, fatigue, and danger) on performance. As the Army moves towards its goal of becoming the Objective Force (or the Army of the future: lighter, faster and more mobile), psychological researchers will play a vital role in helping maximize soldier performance through an understanding of cognitive, perceptual and social factors.

ARL's Human Research & Engineering Directorate sponsors basic and applied research in the area of human factors, with the goal of optimizing soldiers' interactions with Army systems. Specific behavioral research projects focus on the development of intelligent decision aids, control/display/workstation design, simulation and human modeling, and human control of automated systems.

OFFICE OF NAVAL RESEARCH (ONR)

The Cognitive and Neural Sciences Division (CNS) of ONR supports research to increase the understanding of complex cognitive skills in humans; aid in the development and improvement of machine vision; improve human factors engineering in new technologies; and advance the design of robotics systems. An example of CNS-supported research is the division's long-term investment in artificial intelligence research. This research has led to many useful products, including software that enables the use of "embedded training." Many of the Navy's operational tasks, such as recognizing and responding to threats, require complex interactions with sophisticated, computer-based systems. Embedded training allows shipboard personnel to develop and refine critical skills by practicing simulated exercises on their own workstations. Once developed, embedded training software can be loaded onto specified computer systems and delivered wherever and however it is needed.

AIR FORCE RESEARCH LABORATORY (AFRL)

Within AFRL, Air Force Office of Scientific Research (AFOSR) behavioral scientists are responsible for basic research on manpower, personnel, training and crew technology. The AFRL Human Effectiveness Directorate is responsible for more applied research relevant to an enormous number of acknowledged Air Force mission needs ranging from weapons design, to improvements in simulator technology, to improving crew survivability in combat, to faster, more powerful and less expensive training regimens.

As a result of previous cuts to the Air Force behavioral research budget, the world's premier organization devoted to personnel selection and classification (formerly housed at Brooks Air Force Base) no longer exists. This has a direct, negative impact on the Air Force's and other services' ability to efficiently identify and assign personnel (especially pilots). Similarly, reductions in support for applied research in human factors have resulted in an inability to fully enhance human factors modeling capabilities, which are essential for determining human-system requirements early in system concept development, when the most impact can be made in terms of manpower and cost savings. For example, although engineers know how to build cockpit display systems and night goggles so that they are structurally sound, psychologists know how to design them so that people can use them safely and effectively.

DEFENSE GRADUATE PSYCHOLOGY EDUCATION PROGRAM (D–GPE)

Military psychologists also serve in roles other than researchers within the DOD system—many provide direct clinical care (mental and behavioral health services) to military personnel and their families and are responsible for training the next generation of military psychologists. The Defense Graduate Psychology Education (D–GPE) Program was launched in fiscal year 2006 to better train both military and civilian psychologists in providing this care, and APA requests $6 million for D–GPE in fiscal year 2007. The foci will be on mental health for the severely medically injured (including those with traumatic brain injury and amputations), trauma and resilience for those suffering from depression and post traumatic stress disorder, and post-deployment reintegration and adjustment.

The D–GPE program includes a tri-service Center for Deployment Psychology (CDP) at the Uniformed Services University of the Health Sciences (USUHS) with a board of directors from the Army, Air Force, and Navy Psychology Departments. A website will be developed for servicemembers, veterans and their families seeking assistance for mental health related issues, including contact information for psychologists in their geographic areas. Furthermore, curriculum will be developed designed to meet the specific needs of returning military personnel and their families, on topics including trauma and resilience. In the second year, Postdoctoral Fellows will be added to the clinical teaching faculty at USUHS and a research component would be initiated.

SUMMARY

On behalf of APA, I would like to express my appreciation for this opportunity to present testimony before the subcommittee. Clearly, psychological scientists address a broad range of important issues and problems vital to our national security, with expertise in understanding and optimizing cognitive functioning, perceptual awareness, complex decision-making, stress resilience, recruitment and retention, and human-systems interactions. We urge you to support the men and women on the front lines by reversing another round of dramatic, detrimental cuts to the overall defense S&T account and the human-oriented research projects within the mili-

tary laboratories. We also urge you to support military personnel and their families even more directly by providing funds for the new D–GPE program.

Below is suggested appropriations report language for fiscal year 2007 which would encourage the Department of Defense to fully fund its behavioral research programs within the military laboratories:

DEPARTMENT OF DEFENSE

Research, Development, Test, and Evaluation:

Behavioral Research in the Military Service Laboratories.— The Committee notes the increased demands on our military personnel, including high operational tempo, leadership and training challenges, new and ever-changing stresses on decision-making and cognitive readiness, and complex human-technology interactions. To help address these issues vital to our national security, the committee has provided increased funding to reverse cuts to basic and applied psychological research through the military research laboratories: the Air Force Office of Scientific Research and Air Force Research Laboratory; the Army Research Institute and Army Research Laboratory; and the Office of Naval Research.

Senator STEVENS. Our next witness is Chris Hahn, executive director of Mesothelioma—I cannot pronounce that—pardon me, what's this? Lieutenant Colonel Paul Austin. Pardon me.

Colonel AUSTIN. Good morning, Chairman Stevens.

Senator STEVENS. Good morning.

Colonel AUSTIN. Hello, ranking member Inouye.

STATEMENT OF LIEUTENANT COLONEL PAUL N. AUSTIN, CERTIFIED REGISTERED NURSE ANESTHETIST, Ph.D., ON BEHALF OF THE AMERICAN ASSOCIATION OF NURSE ANESTHETISTS (AANA)

Colonel AUSTIN. It is an honor and pleasure to provide testimony on behalf of the American Association of Nurse Anesthetists. My name is Dr. Paul Austin. I'm a certified registered nurse anesthetist (CRNA), and I retired last year from the U.S. Air Force after 24 years of proudly serving my country. For most of this time I served as a nurse anesthesia educator, serving as the director of the Air Force and Uniformed Services University nurse anesthesia programs, as well as the chief consultant to the Air Force Surgeon General for nurse anesthesia.

The AANA is a professional organization representing 34,000 CRNAs in the United States, including approximately 483 active duty and 790 reserve military CRNAs. CRNAs participate in about 65 percent of the anesthetics given to patients each year in the United States. Nurse anesthetists are also the sole anesthesia providers in more than two-thirds of rural hospitals assuring access to surgical, obstetrical, and other health care services. Over 364 nurse anesthetists have been deployed to the Middle East in support of Operation Iraqi Freedom and Operation Enduring Freedom.

Military CRNAs are often the sole anesthesia providers at certain facilities both at home and forward deployed. For example, Army CRNA Lieutenant Colonel Bruce Schoneboom, Director of the Uniformed Services Nurse Anesthesia Program, is currently deployed as a nurse anesthetist and a detachment commander for the Fourteenth Combat Surgical Hospital at Salerno forward operating base in Afghanistan.

In addition, military CRNAs are called upon to assist with humanitarian efforts, both at the home front and abroad, and this subcommittee must ensure that we retain and recruit CRNAs now and in the future to serve in these military overseas deployments

and humanitarian efforts, and to ensure the maximum readiness of America's armed services.

Today, maintaining adequate numbers of active duty CRNAs is of the most importance to the Department of Defense to meet its military medical readiness mission. For several years, the number of CRNAs serving in active duty has fallen short of the number authorized by DOD. This is complicated by the strong demand for CRNAs, both in the public and private sectors. This considerable gap between civilian and military pay was addressed in the fiscal year 2003 Defense Authorization Act, with an incentive special pay, or ISP increase from $15,000 to $50,000.

Earlier this month, the three services' Nurse Corps leaders testified before this subcommittee that there is an active effort to work with the Surgeons General to evaluate and adjust ISP rates and policies needed to support the recruitment and retention of CRNAs. The AANA thanks this subcommittee for its support of the annual ISP for nurse anesthetists. The AANA strongly recommends the continuation and an increase in annual funding of the ISP for fiscal year 2007. The ISP continues to recognize the special skills and advanced education that CRNAs bring to the Department of Defense health care system.

Last, the establishment of the joint United States Army Veterans Administration Nurse Anesthesia Program at Fort Sam Houston in San Antonio continues to hope promise to make significant improvement to the military and VA CRNA workforce, as well as improving retention of VA-registered nurses in a cost-effective manner. These DOD partnerships are a cost-effective model to fill the needs of the military and VA health care system.

In conclusion, the AANA believes that recruitment and retention of CRNAs in the armed services is critical to America's readiness. By Congress supporting the efforts to recruit and retain CRNAs, the military can meet the unique mission of its health care system. The AANA would like to thank the Surgeons General and Nurse Corps leadership for their support of the profession within the military workforce, and we commend and thank this subcommittee for their continued support of CRNAs in the military.

[The statement follows:]

PREPARED STATEMENT OF PAUL N. AUSTIN

Chairman Stevens, ranking member Inouye, and Members of the subcommittee:

The American Association of Nurse Anesthetists (AANA) is the professional association representing over 34,000 certified registered nurse anesthetists (CRNAs) in the United States, including 483 Active Duty and 790 Reservists in the military reported in May 2005. The AANA appreciates the opportunity to provide testimony regarding CRNAs in the military. We would also like to thank this committee for the help it has given us in assisting the Department of Defense (DOD) and each of the services to recruit and retain CRNAs.

BACKGROUND INFORMATION ON NURSE ANESTHETISTS

In the administration of anesthesia, CRNAs perform the same functions as anesthesiologists and work in every setting in which anesthesia is delivered including hospital surgical suites and obstetrical delivery rooms, ambulatory surgical centers, health maintenance organizations, and the offices of dentists, podiatrists, ophthalmologists, and plastic surgeons. Today, CRNAs participate in approximately 65 percent of the anesthetics given to patients each year in the United States. Nurse anesthetists are also the sole anesthesia providers in more than two-thirds of rural hos-

pitals, assuring access to surgical, obstetrical and other healthcare services for millions of rural Americans.

CRNAs have a personal and professional commitment to patient safety, made evident through research into our practice. In our professional association, we state emphatically "our members' only business is patient safety." Safety is assured through education, high standards of professional practice, and commitment to continuing education. Having first practiced as registered nurses, CRNAs are educated to the master's degree level and meet the most stringent continuing education and recertification standards in the field. Thanks to this tradition of advanced education, the clinical practice excellence of anesthesia professionals, and the advancement in technology, we are humbled and honored to note that anesthesia is 50 times safer now than 20 years ago (National Academy of Sciences, 2000). Research further demonstrates that the care delivered by CRNAs, anesthesiologists, or by both working together yields similar patient safety outcomes. In addition to studies performed by the National Academy of Sciences in 1977, Forrest in 1980, Bechtholdt in 1981, the Minnesota Department of Health in 1994, and others, Dr. Michael Pine MD MBA recently concluded once again that among CRNAs and physician anesthesiologists, "the type of anesthesia provider does not affect inpatient surgical mortality" (Pine, 2003). Thus, the practice of anesthesia is a recognized specialty in nursing and medicine. Both CRNAs and anesthesiologists administer anesthesia for all types of surgical procedures from the simplest to the most complex, either as single providers or together.

NURSE ANESTHETISTS IN THE MILITARY

Since the mid-19th Century, our profession of nurse anesthesia has been proud to provide anesthesia care for our past and present military personnel and their families. From the Civil War to the present day, nurse anesthetists have been the principal anesthesia providers in combat areas of every war in which the United States has been engaged.

Military nurse anesthetists have been honored and decorated by the U.S. and foreign governments for outstanding achievements, resulting from their dedication and commitment to duty and competence in managing seriously wounded casualties. In World War II, there were 17 nurse anesthetists to every one anesthesiologist. In Vietnam, the ratio of CRNAs to physician anesthesiologists was approximately 3:1. Two nurse anesthetists were killed in Vietnam and their names have been engraved on the Vietnam Memorial Wall. During the Panama strike, only CRNAs were sent with the fighting forces. Nurse anesthetists served with honor during Desert Shield and Desert Storm. Military CRNAs have provided critical anesthesia support to humanitarian missions around the globe in such places as Bosnia and Somalia. In May 2003, approximately 364 nurse anesthetists had been deployed to the Middle East for the military mission for "Operation Iraqi Freedom" and "Operation Enduring Freedom."

Data gathered from the U.S. Armed Forces anesthesia communities' reveal that CRNAs have often been the sole anesthesia providers at certain facilities, both at home and while forward deployed. For decades CRNAs have staffed ships, isolated U.S. bases, and forward surgical teams without physician anesthesia support. The U.S. Army Joint Special Operations Command Medical Team and all Army Forward Surgical Teams are staffed solely by CRNAs. U.S. Air Force Medical Special Operation Teams are staffed solely by CRNAs. Anesthesiologists rarely substitute into these billets. Military CRNAs have a long proud history of providing independent support and quality anesthesia care to military men and women, their families and to people from many nations who have found themselves in harm's way.

In the current mission "Operation Iraqi Freedom" CRNAs will continue to be deployed both on ships and on the ground, as well as in U.S. special operations forces. In addition, military CRNAs are called upon to assist with humanitarian efforts on the home front and abroad. This committee must ensure that we retain and recruit CRNAs now and in the future to serve in these military overseas deployments and humanitarian efforts, and to ensure the maximum readiness of America's armed services.

CRNA RETENTION AND RECRUITING: HOW THIS COMMITTEE CAN HELP THE DEFENSE DEPARTMENT

In all of the Services, maintaining adequate numbers of active duty CRNAs is of utmost concern. For several years, the number of CRNAs serving in active duty has fallen somewhat short of the number authorized by the Department of Defense (DOD). This is further complicated by strong demand for CRNAs in both the public and private sectors.

However, it is essential to understand that while there is strong demand for CRNA services in the public and private healthcare sectors, the profession of nurse anesthesia is working effectively to meet this workforce challenge. Our evidence suggests that while vacancies exist, there is not a crisis in the number of anesthesia providers. As of January 2006, there are 99 accredited CRNA schools to support the profession of nurse anesthesia. The number of qualified registered nurses applying to CRNA schools continues to climb. The growth in the number of schools, the number of applicants, and in production capacity, has yielded significant growth in the number of nurse anesthetists graduating and being certified into the profession. The Council on Certification of Nurse Anesthetists reports that in 2005, our schools produced 1,790 graduates, an 89 percent increase since 1999, and 1,595 nurse anesthetists were certified. The growth is expected to continue. The Council on Accreditation of Nurse Anesthesia Educational Programs (COA) projects CRNA schools to produce over 1,900 graduates in 2006.

This committee can greatly assist in the effort to attract and maintain essential numbers of nurse anesthetists in the military by their support to increase special pays.

INCENTIVE SPECIAL PAY (ISP) FOR NURSE ANESTHETISTS

According to a March 1994 study requested by the Health Policy Directorate of Health Affairs and conducted by the Department of Defense, a large pay gap existed between annual civilian and military pay in 1992. This study concluded, "this earnings gap is a major reason why the military has difficulty retaining CRNAs." In order to address this pay gap, in the fiscal year 1995 Defense Authorization bill Congress authorized the implementation of an increase in the annual Incentive Special Pay (ISP) for nurse anesthetists from $6,000 to $15,000 for those CRNAs no longer under service obligation to pay back their anesthesia education. Those CRNAs who remain obligated receive the $6,000 ISP. New nurse anesthesia graduates should be eligible to receive the full ISP and not a reduced portion when they are completing their obligated service.

Both the House and Senate passed the Fiscal Year 2003 Defense Authorization Act Conference report, H. Rept. 107–772, which included an ISP increase to $50,000. The report included an increase in ISP for nurse anesthetists from $15,000 to $50,000. There had been no change in funding level for the ISP since the increase was instituted in fiscal year 1995, while it is certain that civilian pay has continued to rise during this time. Per the testimony provided earlier this month from the three services Nurse Corps leaders, the AANA is aware that there is an active effort to work with the Surgeons General to closely evaluate and adjust ISP rates and policies needed to support the recruitment and retention of CRNAs. Major General Gale Pollock, MBA, MHA, MS, CRNA, FACHE, Deputy Surgeon General, Army Nurse Corps of the U.S. Army stated earlier this month in testimony before this subcommittee,

"I am particularly concerned about the retention of our certified registered nurse anesthetists (CRNAs). Our inventory of CRNAs is currently at 73 percent. The restructuring of the incentive special pay program for CRNAs last year, as well as the 180 (day)-deployment rotation policy were good first steps in stemming the loss of these highly trained providers. We are working closely with the Surgeon General's staff to closely evaluate and adjust rates and policies where needed."

Military CRNAs face frequent and lengthy deployments. The fewer military CRNAs, the more frequent the deployments, the more frequent the deployments, the greater the attrition. Congress needs to continue to support Military education of CRNA programs such as USUHS and FT Sam that produce our "replacement" military CRNAs.

In addition, there still continues to be high demand for CRNAs in the healthcare community leading to higher incomes, widening the gap in pay for CRNAs in the civilian sector compared to the military. The fiscal year 2005 AANA Membership Survey measured income in the civilian sector by practice setting. The median income in a hospital setting is $135,000, anesthesiologist group $120,000, and self-employed CRNA $160,000. These median incomes include salary, call pay, overtime, bonus/incentives and other income. The median incomes in the Army, Navy and Air Force are $80,000, $87,750, and $88,824 respectively. These figures also include salary, call pay, overtime, bonus/incentives and other income, if applicable.

In civilian practice, all additional skills, experience, duties and responsibilities, and hours of work are compensated for monetarily. Additionally, training (tuition and continuing education), healthcare, retirement, recruitment and retention bonuses, and other benefits often equal or exceed those offered in the military. Civilian

practice offers a more stable lifestyle without threat of frequent moves or deployment into harms way. Salaries in the civilian sector will continue to create incentives for CRNAs to separate from the military, especially at the lower grades without a competitive incentive from the military to retain CRNAs. Therefore, it is vitally important that the Incentive Special Pay (ISP) be increased to ensure the retention of CRNAs in the military.

The AANA thanks this committee for its support of the annual ISP for nurse anesthetists. The AANA strongly recommends the continuation and an increase in the annual funding for ISP for fiscal year 2007. The ISP recognizes the special skills and advanced education that CRNAs bring to the Department of Defense healthcare system.

BOARD CERTIFICATION PAY FOR NURSE ANESTHETISTS

Included in the fiscal year 1996 Defense Authorization bill was language authorizing the implementation of a board certification pay for certain healthcare professionals, including advanced practice nurses. AANA is highly supportive of board certification pay for all advanced practice nurses. The establishment of this type of pay for nurses recognizes that there are levels of excellence in the profession of nursing that should be recognized, just as in the medical profession. In addition, this type of pay may assist in closing the earnings gap, which may help with retention of CRNAs.

The AANA encourages the Department of Defense and the respective Services to continue to support board certification pay. We greatly appreciate the support since it contributes to minimizing the Military/Civilian pay gap.

DOD/VA RESOURCE SHARING: U.S. ARMY-VA NURSE ANESTHESIA SCHOOL: UNIVERSITY OF TEXAS HOUSTON HEALTH SCIENCE CENTER, HOUSTON, TEXAS

The establishment of the joint U.S. Army-VA program in nurse anesthesia education at Fort Sam Houston in San Antonio, Texas holds the promise of making significant improvements in the VA CRNA workforce, as well as improving retention of VA registered nurses in a cost effective manner. The current program utilizes existing resources from both the Department of Veterans Affairs Employee Incentive Scholarship Program (EISP) and VA hospitals to fund tuition, books, and salary reimbursement for student registered nurse anesthetists (SRNAs).

This VA nurse anesthesia program started in June 2004 with three openings for VA registered nurses to apply to and earn a Master of Science in Nursing (MSN) in anesthesia granted through the University of Texas Houston Health Science Center. Due to continued success and interest by VA registered nurses for the school, the program increased to five openings for the June 2005 class. This program continues to attract registered nurses into VA service, by sending RNs the strong message that the VA is committed to their professional and educational advancement. The faculty director would like to expand the program with an additional three VA registered nurses for the June 2006 class. In order to achieve this goal, it is necessary for full funding of the current and future EISP to cover tuition, books, and salary reimbursement.

The 30-month program is broken down into two phases. Phase I, 12 months, is the didactic portion of the anesthesia training at the U.S. AMEDD Center and School (U.S. Army School for Nurse Anesthesia). Phase II, 18 months, is clinical practice education, in which VA facilities and their affiliates would serve as clinical practice sites. In addition to the education taking place in Texas, the agency will use VA hospitals in Augusta, Georgia, increasing Phase II sites as necessary. Similar to military CRNAs who repay their educational investment through a service obligation to the U.S. Armed Forces, graduating VA CRNAs would serve a 3-year obligation to the VA health system. Through this kind of Department of Defense—DVA resource sharing, the VA will have an additional source of qualified CRNAs to meet anesthesia care staffing requirements.

At a time of increased deployments in medical military personnel, VA–DOD partnerships are a cost-effective model to fill these gaps in the military healthcare system. At Fort Sam Houston nurse anesthesia school, the VA faculty director has covered her Army colleagues' didactic classes when they are deployed at a moments notice. This benefits both the VA and the DOD to ensure the nurse anesthesia students are trained and certified in a timely manner to meet their workforce obligation to the Federal government as anesthesia providers.

We are pleased to note that the Department of Veterans' Affairs Acting Deputy Under Secretary for Health and the U.S. Army Surgeon General approved funding to start this VA nurse anesthesia school in 2004. With modest levels of additional funding in the EISP, this joint U.S. Army-VA nurse anesthesia education initiative

can grow and thrive, and serve, as a model for meeting other VA workforce needs, particularly in nursing.

Department of Defense and VA resource sharing programs effectively maximize government resources while improving access to healthcare for Veterans.

CONCLUSION

In conclusion, the AANA believes that the recruitment and retention of CRNAs in the armed services is of critical concern. By Congress supporting these efforts to recruit and retain CRNAS, the military is able to meet the mission to provide benefit care and deployment care—a mission that is unique to the military. The AANA would also like to thank the Surgeons General and Nurse Corp leadership for their support in meeting the needs of the profession within the military workforce. Last, we commend and thank this committee for their continued support for CRNAs in the military.

Senator STEVENS. Thank you. We note you have suggested that the incentive pay be increased to $50,000. How did you arrive at that figure?

Colonel AUSTIN. Actually, the authorization already went through for it to be increased to $50,000, and that is currently being implemented, depending on the number of years that the member signs his contract.

Senator STEVENS. It is already authorized at that level?

Colonel AUSTIN. It is.

Senator STEVENS. I didn't understand. Senator Inouye.

Senator INOUYE. What is the shortage among nurses?

Colonel AUSTIN. I'm sorry, sir?

Senator INOUYE. What is the shortage in the nurse anesthetist field?

Colonel AUSTIN. Currently, nationwide the vacancy rate is approximately 10 to 12 percent.

Senator INOUYE. Thank you.

Senator STEVENS. Well, thank you very much.

Colonel AUSTIN. Thank you, sir.

Senator STEVENS. Appreciate your testimony. Now, we will turn to Chris Hahn with the Applied Research Foundation.

STATEMENT OF CHRIS HAHN, EXECUTIVE DIRECTOR, MESOTHELIOMA APPLIED RESEARCH FOUNDATION (MARF)

Mr. HAHN. Chairman Stevens, ranking member Inouye, and the distinguished members of the U.S. Senate Defense Appropriations Subcommittee, thank you for this opportunity a few days before Memorial Day to address a fatal disease afflicting our veterans.

My name is Chris Hahn. I am the Executive Director of the Mesothelioma Applied Research Foundation, the national nonprofit advancing research to develop treatments for mesothelioma.

Mesothelioma, or Meso, is an aggressive cancer caused by asbestos exposure. It is among the most painful of cancers, as the tumor invades the chest wall, destroys vital organs, and crushes the lungs. It is also among the worst prognoses. Meso patients survive 4 to 14 months average. There is no cure.

From the 1930s through the 1970s, asbestos was used literally everywhere on Navy ships, from engine rooms to living spaces. Millions of servicemen and shipyard workers were exposed. Today, many of them are developing mesothelioma following the disease's 10 to 50 year latency period.

These are heroes who served our country's defense. Former Chief of Naval Operations Elmo Zumwalt developed mesothelioma in

2000, and died just 3 months later. His son, Colonel James Zumwalt, is here with us today. Louis Dietz volunteered for the Navy at age 18. He was decorated for his courage in combat in Vietnam. On the U.S.S. *Kitty Hawk*, he tended the boilers. At age 55, he developed mesothelioma, and died 3 months later.

Admiral Zumwalt's and sailor Dietz's stories are all too common. Of the 3,000 Americans each year who die of mesothelioma, one-third were exposed on U.S. ships and shipyards. That is 1,000 U.S. servicemen and shipyard workers each year lost through service to our country, just as if they had been on a battlefield. Many more heroes are being exposed now, and will develop the disease in the next 10 to 50 years. 9/11 first responders were exposed to hundreds of tons of pulverized asbestos, and even though asbestos usage is not as heavy today as in the past, even low dose incidental exposures can cause Meso.

Minnesota Congressman Bruce Vento happened to work near an asbestos-insulated boiler at his summer job while putting himself through college. In 2000, he developed mesothelioma and died.

Despite this deadly toll on our heroes and patriots, mesothelioma research has been an orphan. The National Cancer Institute has provided virtually no funding. Of the $3.75 billion spent so far through the DOD congressionally directed medical research program, none has been invested in Meso research, despite the military service connection. As a result, treatments for mesothelioma lag far behind other cancers. In fact, for decades, there was no treatment better than doing absolutely nothing at all.

The hopelessness is starting to lift. Brilliant researchers and physicians are dedicated to mesothelioma. Just 2 years ago, the first drug ever for mesothelioma was approved when Doctor Nicholas Vogelsang, the head of the Nevada Cancer Institute and a member of our board of directors, proved that it was effective against the cancer. Dr. Harvey Pass, the Chief of Thoracic Surgery at NYU, is developing promising biomarkers for the disease. Gene therapy, anti-angiogenesis, and other promising approaches are being developed.

There is hope, but we need the Federal Government to make a concerted investment. So we ask the DOD to include mesothelioma in the peer-reviewed medical research program. This will enable Meso investigators to compete for Federal funds, and will provide urgently needed resources to develop new treatments.

Thank you very much, and we look to the subcommittee for your leadership to provide hope to our veterans who develop this cancer.

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

[The statement follows:]

PREPARED STATEMENT OF CHRIS HAHN

Chairman Stevens, Ranking Member Inouye, and the distinguished members of the U.S. Senate Defense Appropriations Subcommittee:

Thank you for this opportunity, a few days before Memorial Day, to address a fatal disease afflicting our military veterans, and those who helped build and protect our Nation. My name is Chris Hahn, I am the Executive Director of the Mesothelioma Applied Research Foundation, the national nonprofit collaboration of researchers, physicians, advocates, patients and families dedicated to advancing medical research to improve treatments for mesothelioma.

MALIGNANT MESOTHELIOMA

Mesothelioma or meso is an aggressive cancer of the lining of the lungs, abdomen or heart, caused by asbestos exposure. The mesothelioma tumor is among the most painful of cancers, as it invades the sensitive chest wall, destroys vital organs, and crushes the lungs. It is also among the worst prognosis of cancers. Meso patients survive an average of 4 to 14 months; today there is no cure.

THE "MAGIC MINERAL"—EXPOSURES WERE WIDESPREAD

As you may know, asbestos has so many beneficial properties that, until its fatal toxicity became fully recognized, it was regarded as the magic mineral. It has excellent fireproofing, insulating, filling and bonding properties. By the late 1930's and through at least the late 70's the Navy was using it extensively. It was used in engines, nuclear reactors, decking materials, pipe covering, hull insulation, valves, pumps, gaskets, boilers, distillers, evaporators, soot blowers, air conditioners, rope packing, and brakes and clutches on winches. In fact it was used all over Navy ships, even in living spaces where pipes were overhead and in kitchens where asbestos was used in ovens and in the wiring of appliances. Aside from Navy ships, asbestos was also used on military planes extensively, on military vehicles, and as insulating material on quonset huts and living quarters.

As a result, military defense personnel, especially servicemen and shipyard workers, were heavily exposed. A study at the Groton, Connecticut shipyard found that over 100,000 workers had been exposed to asbestos over the years at just this one shipyard. Because of the 10 to 50 year latency of the disease, many of the millions of exposed servicemen and shipyard workers are just now developing meso.

MESOTHELIOMA TAKES OUR HEROES

These are the people who served our country's defense and built its fleet. They are heroes like former Chief of Naval Operations Admiral Elmo Zumwalt, Jr., who led the Navy during Vietnam and was renowned for his concern for enlisted men. Despite his rank, prestige, power, and leadership in protecting the health of Navy servicemen and veterans, Admiral Zumwalt died at Duke University in 2000, just 3 months after being diagnosed with mesothelioma.

Lewis Deets was another of these heroes. Four days after turning the legal age of 18, Lewis joined the Navy. He was not drafted. He volunteered, willingly putting his life on the line to serve his country in Vietnam. He served in the war for over 4 years, from 1962 to 1967, as a ship boilerman. For his valiance in combat operations against the guerilla forces in Vietnam he received a Letter of Commendation and The Navy Unit Commendation Ribbon for Exceptional Service. In December 1965, while Lewis was serving aboard the U.S.S. *Kitty Hawk* in the Gulf of Tonkin, a fierce fire broke out. The boilers, filled with asbestos, were burning. Two sailors were killed and 29 were injured. Lewis was one of the 29 injured; he suffered smoke inhalation while fighting the fire. After the fire, he helped rebuild the boilers, replacing the burned asbestos blocks. In 1999 he developed mesothelioma, and died 4 months later at age 55.

Admiral Zumwalt's and Boilerman Deets' stories are not atypical. Of the approximately 3,000 U.S. citizens who die each year of meso, it is estimated that one-third were exposed on U.S. Navy ships or shipyards. That's 1,000 U.S. veterans and shipyard workers per year, lost through service to country, just as if they had been on a battlefield.

In addition to these heroes, exposed 10 to 50 years ago and developing the disease today, many more are being exposed now and will develop the disease in 10 to 50 years. There is grave concern now for the heroic first responders from 9/11 who were exposed to hundreds of tons of pulverized asbestos at Ground Zero and throughout the city. Asbestos exposures have been reported among the troops now in Iraq. The utility tunnels in this very building may have dangerous levels. While active asbestos usage is not as heavy today as in the past, even low-dose, incidental exposures can cause meso. Congressman Bruce Vento, the distinguished Member from Minnesota, happened to work near an asbestos-insulated boiler in a brewery in Minneapolis for two summers while putting himself through college. As a result, he died of meso in 2000. His wife Susan now champions efforts to raise awareness about this deadly disease and the need for a federal investment in research toward a cure.

MESOTHELIOMA FUNDING HAS NOT KEPT PACE

Despite this deadly toll on our heroes and patriots, meso has been an orphan disease. With the huge federal investment in cancer research through the NCI, and $3.75 billion spent in biomedical research through the DOD Congressionally Di-

rected Research Program since 1992, we are winning the war on cancer and many other diseases. But for meso, the National Cancer Institute has provided virtually no funding, in the range of only $1.7 to $3 million annually over the course of the last 5 years, and the DOD does not yet invest in any meso research despite the military-service connection. As a result, advancements in the treatment of mesothelioma have lagged far behind other cancers. In fact, for decades, there was no approved treatment better than doing nothing at all.

NEW OPPORTUNITIES

But there is good news. A small but passionate community of physicians and researchers is committed to finding a cure. The decades-long hopelessness that treatment was futile is no longer true. Two years ago, the FDA approved a drug shown to be effective against the tumor. This was based on the largest phase III trial ever conducted in meso, led by Meso Foundation Board of Directors member Nicholas Vogelzang, head of the Nevada Cancer Institute. Two very promising biomarkers have just been identified. Two of the most exciting areas in cancer research generally—gene therapy and anti-angiogenesis—look particularly applicable in meso. With its seed-money grant funding, the Meso Foundation is supporting research in these and other areas. To date we have funded over $3 million to investigators working on novel, promising research projects. The scientific community believes that we can continue to advance the treatment of this disease and increase its survivability if the federal government makes a concerted investment.

Therefore, we urge the DOD to partner in the progress being made, by including meso as an area of emphasis in the DOD's Peer Reviewed Medical Research Program. Inclusion in the list of congressionally identified priority research areas will enable mesothelioma researchers to compete for Federal funds based on the scientific merit of their work. This will provide urgently needed resources to explore new treatments and build a better understanding this disease. We look to the Senate Defense Appropriations Subcommittee to provide leadership and hope to the servicemen and women and veterans who develop this cancer after serving our Nation. Thank you for the opportunity to provide testimony before the subcommittee and we hope that we can work together to develop life-saving treatments for mesothelioma.

Senator STEVENS. Our next witness is—you do not have any questions, Senator? Senator Inouye, you have any questions?

[No response.]

Senator STEVENS. Next is Captain Robert Hurd and Jessica Vance, a Naval Sea Cadet.

STATEMENTS OF:

PETTY OFFICER FIRST CLASS JESSICA A. VANCE, 2006 NAVAL SEA CADET OF THE YEAR, U.S. NAVAL SEA CADET CORPS

CAPTAIN ROBERT C. HURD, U.S. NAVY (RETIRED)

Captain HURD. Good morning, Mr. Chairman, Senator Inouye. It is my pleasure to introduce Petty Officer Vance, who is selected as a Naval Sea Cadet Corps cadet of the year, out of 10,000 cadets last year. This Friday, she graduates from high school and is off to the Naval Academy almost immediately following that. Petty Officer Vance?

Petty Officer VANCE. Good morning. I am Naval Sea Cadet Corps Petty Officer Jessica Vance, leading Petty Officer of the Spruance Division in Fort Lauderdale, Florida, as well as a senior at Pine Crest School.

It is an honor to address you on behalf of the Naval Sea Cadet Corps. There are now just under 10,000 young men and women ages 11 to 17 and adult volunteers proudly wearing the Naval Sea Cadet uniform in 374 units throughout the country. We are a congressionally chartered youth development and education program sponsored by the Navy League of the United States and supported by the Navy and Coast Guard. The program's main goals are devel-

opment of young men and women while promoting interest and skill in seamanship and aviation, and instilling a sense of patriotism, courage, commitment, self-reliance, and honor, along with other qualities that mold strong moral character and self-discipline in a drug and gang-free environment.

After completing boot camp, sea cadets choose from a variety of 2-week summer training sessions, including training aboard Navy and Coast Guard ships. Last summer, I was privileged to train aboard a Russian ship as one of the first U.S. participants in an international exchange program with Russia. During the year, we drill every weekend, and may complete Navy correspondence courses for advancement: this being the basis for accelerated promotion if a cadet should choose to enlist in the Navy or Coast Guard after leaving the program.

Four hundred seventy-three former sea cadets now attend the United States Naval Academy, and approximately 400 former cadets annually enlist in the armed services, pre-screened, highly motivated, and well-prepared. I will be joining them in a few weeks as a new midshipmen at the Naval Academy. Knowing nothing about the military, the sea cadet program has prepared me for a life of service. Prior sea cadet experience has proven to be an excellent indicator of a potentially high career success rate, both in and out of the military.

Whether or not we choose a service career, we all carry forth the forged values of good citizenship, leadership, and moral courage that we believe will benefit us and our country. A major difference between this and other federally chartered youth programs is that we are responsible for our own expenses, including uniforms, travel, insurance and training costs, which can amount to over $500 a year.

The Corps, however, is particularly sensitive that no young person is denied access to the program because of socioeconomic status. Some units are financed in part by local sponsors. Yet this support, while greatly appreciated, is not sufficient to support all cadets. Federal funds over the past 6 years have been used to help offset cadets' out-of-pocket training costs. However, for a variety of reasons, current funding can no longer adequately sustain the program. These include inflation, base closures, and reduced base access, reduced afloat training opportunities, a lack of previously provided transportation, on-base berthing and based transportation, increase needs-base support for the cadets.

We respectfully request your consideration and support for funding that will allow for the full amount of $2 million requested for the next year. Unfortunately, time precludes sharing the many stories that Captain Hurd has shared with your staffs this year, pointing out the many acts of courage, community service, and successful youth development of my fellow sea cadets, as well as those ex-cadets who are serving in our Armed Forces in Iraq, Afghanistan, and around the world. These stories and many more like them are unfortunately the youth stories that you do not always read about in the press.

Thank you for this opportunity to speak to you today. I and the entire Sea Cadet Corps appreciate your support for this fine pro-

gram that has meant so much to me over the past 5½ years, and will continue to influence me for the rest of my life. Thank you.

Senator STEVENS. Thank you very much. That is a nice statement. And Captain, we appreciate your support and we will do our best.

Do you have any questions, Senator?

[No response.]

Senator STEVENS. Thank you very much. Good luck to you at the Academy.

Petty Officer VANCE. Thank you.

[The statement follows:]

PREPARED STATEMENT OF ROBERT C. HURD

REQUEST

It is respectfully requested that $300,000 be appropriated for the NSCC in fiscal year 2007, so that when added to the Navy budgeted $1,700,000 will restore full funding at the $2,000,000 level. Further, in order to ensure future funding at the full $2,000,000 requirement, consideration of including the following conference language is requested:

"Congress is pleased to learn that Navy has funded the U.S. Naval Sea Cadet Corps in the fiscal year 2007 budget as urged by the Senate and House in the 2006 Defense Budget Conference Report. Conferees include an additional $300,000 for the U.S. Naval Sea Cadet Corps, that when added to the $1,700,000 in the fiscal year 2007 budget request will fund the program at the full $2,000,000 requested. Conferees urge the Navy to continue to fund this program and increase the POM level to $2,000,000 for the U.S. Naval Sea Cadet Corps."

BACKGROUND

At the request of the Department of the Navy, the Navy League of the United States established the Naval Sea Cadet Corps in 1958 to "create a favorable image of the Navy on the part of American youth." On September 10, 1962, the U.S. Congress federally chartered the Naval Sea Cadet Corps under Public Law 87–655 as a non-profit civilian youth training organization for young people, ages 13 through 17. A national board of directors, whose chairman serves as the National Vice President of the Navy League for Youth Programs, establishes NSCC policy and management guidance for operation and administration. A full-time executive director and small staff in Arlington, Virginia administer NSCC's day-to-day operations. These professionals work with volunteer regional directors, unit commanding officers, and local sponsors. They also collaborate with Navy League councils and other civic, or patriotic organizations, and with local school systems.

In close cooperation with, and the support of, the U.S. Navy and U.S. Coast Guard, the Sea Cadet Corps allows youth to sample military life without obligation to join the Armed Forces. Cadets and adult leaders are authorized to wear the Navy uniform, appropriately modified with a distinctive Sea Cadet insignia.

There are currently over 374 Sea Cadet units with a program total of over 10,000 participants (2,500 adult officers and instructors and 10,000 cadets (about 33 percent female). This is an all time high enrollment for the program.

NSCC OBJECTIVES

Develop an interest and skill in seamanship and seagoing subjects.

Develop an appreciation for our Navy's history, customs, traditions and its significant role in national defense.

Develop positive qualities of patriotism, courage, self-reliance, confidence, pride in our Nation and other attributes, which contribute to development of strong moral character, good citizenship traits and a drug-free, gang-free lifestyle.

Present the advantages and prestige of a military career.

Under the Cadet Corps' umbrella is the Navy League Cadet Corps (NLCC), a youth program for children ages 11 through 13. While it is not part of the Federal charter provided by Congress, the Navy League of the United States sponsors NLCC. NLCC was established ". . . to give young people mental, moral, and physical training through the medium of naval and other instruction, with the objective

of developing principles of patriotism and good citizenship, instilling in them a sense of duty, discipline, self-respect, self-confidence, and a respect for others."

BENEFITS

Naval Sea Cadets experience a unique opportunity for personal growth, development of self-esteem and self-confidence. Their participation in a variety of activities within a safe, alcohol-free, drug-free, and gang-free environment provides a positive alternative to other less favorable temptations. The Cadet Corps introduces young people to nautical skills, to maritime services and to a military life style. The program provides the young cadet the opportunity to experience self-reliance early on, while introducing this cadet to military life without any obligation to join a branch of the Armed Forces. The young cadet realizes the commitment required and routinely excels within the Navy and Coast Guard environments.

Naval Sea Cadets receive first-hand knowledge of what life in the Navy or Coast Guard is like. This realization ensures the likelihood of success should they opt for a career in military service. For example, limited travel abroad and in Canada may be available, as well as the opportunity to train onboard Navy and Coast Guard ships, craft and aircraft. These young people may also participate in shore activities ranging from training as a student at a Navy hospital to learning the fundamentals of aviation maintenance at a Naval Air Station.

The opportunity to compete for college scholarships is particularly significant. Since 1975, 188 cadets have received financial assistance in continuing their education in a chosen career field at college.

ACTIVITIES

Naval Sea Cadets pursue a variety of activities including classroom, practical and hands-on training as well as field trips, orientation visits to military installations, and cruises on Navy and Coast Guard ships and small craft. They also participate in a variety of community and civic events.

The majority of sea cadet training and activities occurs year round at a local training or "drill" site. Often, this may be a military installation or base, a reserve center, a local school, civic hall, or sponsor-provided building. During the summer, activities move from the local training site and involve recruit training (boot camp), "advanced" training of choice, and a variety of other training opportunities (depending on the cadet's previous experience and desires).

SENIOR LEADERSHIP

Volunteer Naval Sea Cadet Corps officers and instructors furnish senior leadership for the program. They willingly contribute their time and effort to serve America's youth. The Cadet Corps programs succeed because of their dedicated, active participation and commitment to the principles upon which the Corps was founded. Cadet Corps officers are appointed from the civilian sector or from active, reserve or retired military status. All are required to take orientation, intermediate and advanced officer professional development courses to increase their management and youth leadership skills. Appointment as an officer in the Sea Cadet Corps does not, in itself, confer any official military rank. However, a Navy-style uniform, bearing NSCC insignia, is authorized and worn. Cadet Corps officers receive no pay or allowances. Yet, they do derive some benefits, such as limited use of military facilities and space available air travel in conjunction with carrying out training duty orders.

DRUG-FREE AND GANG-FREE ENVIRONMENT

One of the most important benefits of the sea cadet program is that it provides participating youth a peer structure and environment that places maximum emphasis on a drug and gang free environment. Supporting this effort is a close liaison with the U.S. Department of Justice Drug Enforcement Administration (DEA). The DEA offers the services of all DEA Demand Reduction Coordinators to provide individual unit training, as well as their being an integral part of our boot camp training program.

Among a variety of awards and ribbons that cadets can work toward is the Drug Reduction Service Ribbon, awarded to those who display outstanding skills in he areas of leadership, perseverance and courage. Requirements include intensive anti-drug program training and giving anti-drug presentations to interested community groups.

TRAINING

Local Training

Local training, held at the unit's drill site, includes a variety of activities supervised by qualified Sea Cadet Corps officers and instructors, as well as Navy and Coast Guard instructors.

Cadets receive classroom and hands on practical instruction in basic military requirements, military drill, water and small boat safety, core personal values, social amenities, drug/alcohol abuse, cultural relations, Navy history, naval customs and traditions and other nautical skills. Training may be held aboard ships, small boats or aircraft, depending upon platform availability. In their training cadets also learn about and are exposed to a wide variety of civilian and military career opportunities through field trips and educational tours.

Special presentations by military and civilian officials augment the local training, as does attendance at special briefings and events throughout the local area. Cadets are also encouraged and scheduled, to participate in civic activities and events to include parades, social work and community projects, all part of the "whole person" training concept.

For all Naval sea cadets the training during the first several months is at their local training site and focuses on general orientation to and familiarization with, the entire program. It also prepares them for their first major away from home training event, the two weeks recruit training which all sea cadets must successfully complete.

The Navy League Cadet Corps training program teaches younger cadets the virtues of personal neatness, loyalty, obedience, courtesy, dependability and a sense of responsibility for shipmates. In accordance with a Navy-oriented syllabus, this education prepares them for the higher level of training they will receive as Naval sea cadets.

Summer Training

After enrolling, all sea cadets must first attend a 2-week recruit training taught at the Navy's Recruit Training Command, at other Naval Bases or stations, and at regional recruit training sites using other military host resources. Instructed by Navy or NSCC Recruit Division Commanders, cadets train to a condensed version of the basic training that Navy enlistees receive. The curriculum is provided by the Navy and taught at all training sites. In 2005 there were 19 recruit training classes at 18 locations, including one class conducted over the winter holiday break and another held over spring break for the first time. About 18 nationwide regional sites are required to accommodate the steady demand for quotas and also to keep cadet and adult travel costs to a minimum. Approximately 2,000 cadets attended recruit training in 2005 supported by another 300 adult volunteers.

A cadet who successfully completes recruit training is eligible for advanced training in various fields of choice. Cadets can experience the excitement of "hands-on" practical training aboard Navy and Coast Guard vessels, ranging from tugboats and cutters to the largest nuclear-powered aircraft carriers. Female cadets may also train aboard any ship that has females assigned as part of the ship's company. Qualified cadets choose from such sea cadet advanced training as basic/advanced airman, ceremonial guard, seamanship, sailing, SEAL training, amphibious operations, leadership, firefighting and emergency services, homeland security, mine warfare operations, Navy diving submarine orientation and training in occupational specialties, including health care, legal, music, master-at-arms and police science and construction.

The Cadet Corp programs excel in quality and diversity of training offered, with more than 8,000 training orders carried out for the 2005 summer training program. Cadets faced a myriad of challenging training opportunities designed to instill leadership and develop self-reliance, enabling them to become familiar with the full spectrum of Navy and Coast Guard career fields.

This steady and continuing participation once again reflects the popularity of the NSCC and the positive results of Federal funding for 2001 through 2005. The NSCC still continues to experience an average increased recruit and advanced training attendance of well over 2,000 cadets per year over those years in which Federal funding was not available.

While recruit training acquaints cadets with Navy life and Navy style discipline, advanced training focuses on military and general career fields and opportunities, and also affords the cadets many entertaining, drug free, disciplined yet fun activities over the summer. The popularity of the training continues to grow not with just overall numbers but also as evidenced with numerous cadets performing multiple 2-week training sessions during the summer of 2005.

Training highlights for 2005: The 2005 training focus was once again on providing every cadet the opportunity to perform either recruit or advanced training during the year. To that end emphasis was placed on maintaining all traditional and new training opportunities developed since Federal funding was approved for the NSCC. These include more classes in sailing and legal (JAG) training, expanded SEAL training opportunity, more SCUBA and diving training classes, more seamanship training onboard the NSCC training vessels on the Great Lakes, more aviation related training and additional honor guard training opportunities. Other highlights included:

—With Federal funding continuing to be available, maintained once again national recruit training opportunities for every cadet wanting to participate with 19 training camps in 2005.

—In spite of escalating costs and increased competition for base resources, kept cadet summer training cost at only $40 per week for the second consecutive year.

—Continued NSCC's expanded use of Army and National Guard facilities to accommodate demand for quotas for recruit training.

—Maintained an aggressive NSCC Officer Professional Development Program with three different weekend courses tailored to improving volunteer knowledge and leadership skills. Between 400 and 500 volunteers attended 2005 training at over 37 different training evolutions. In support of this adult volunteer training, maintained for a second year NSCC's program for reducing volunteer out-of-pocket expenses.

—Expanded opportunity for culinary arts training for cadets from one to three classes at three different locations.

—Implemented for the first time naval engineering classes for NSCC cadets at the Naval Training Command, Great Lakes.

—Increased attendance at the NSCC Petty Officer Leadership Academies and implemented a pilot junior petty officer leadership program for younger and more junior cadets new to the program.

—Expanded sail training to include two additional classes onboard "tall ships" in Newport, Rhode Island.

—Conducted first NSCC marksmanship program at ANG Camp Perry, Port Clinton, Ohio with the assistance and support of the Civilian Marksmanship Program headquartered there.

—Conducted first NSCC military vehicle maintenance class at Fort Custer Training Center, Battle Creek, Michigan.

—Placed cadets aboard USCG *Barque Eagle* for an orientation cruise from Lisbon, Portugal to New London, Connecticut.

—Placed cadets onboard U.S. Navy ships and USCG stations, cutters and tenders.

INTERNATIONAL EXCHANGE PROGRAM

For 2005 the NSCC again continued for the fourth year its' redesigned and highly competitive, merit based and very low cost to the cadet, International Exchange Program. Cadets were placed in Australia, United Kingdom, Sweden, Netherlands, Hong Kong, Korea and Bermuda to train with fellow cadets in these host nations. The NSCC and Canada maintained their traditional exchanges in Nova Scotia and British Columbia and the NSCC hosted visiting cadets in Newport. Rhode Island and at ANG Gowen Field in Boise, Idaho for 2 weeks of NSCC sponsored training. New in 2005 were exchanges to Saint Petersberg, Russia and also to Scotland.

NAVY LEAGUE CADET TRAINING

In 2005, over 1,120 Navy league cadets and escorts attended orientation training at 17 different sites. This diversity in location made training accessible and reasonably available to each cadet who wished to attend. Over 373 league cadets and escorts attended advanced training at several sites. The advanced program was developed in recognition of the need to provide follow-on training for this younger age group to sustain their interest and to better prepare them for the challenges of Naval Sea Cadet Corps training. Navy league cadets who attend recruit orientation training are exceptionally well prepared for sea cadet "boot camp."

SCHOLARSHIPS

The Naval Sea Cadet Corps Scholarship program was established to provide financial assistance to deserving cadets who wished to further their education at the college level. Established in 1975, the scholarship program consists of a family of funds: the NSCC Scholarship Fund; the Navy League Stockholm Scholarship and the NSCC "named scholarship" program, designed to recognize an individual, cor-

poration, organization or foundation. In 2005, Morgan & Helen Fitch Scholarship was added to this group. Since the inception of the scholarship program, 198 scholarships have been awarded to 188 cadets (includes some renewals) totaling over $229,500.

SERVICE ACCESSIONS

The Naval Sea Cadet Corps was formed at the request of the Department of the Navy as a means to "enhance the Navy image in the minds of American youth." To accomplish this, ongoing presentations illustrate to Naval sea cadets the advantages and benefits of careers in the armed services, and in particular, the sea services.

While there is no service obligation associated with the Naval Sea Cadet Corps program, many sea cadets choose to enlist or enroll in officer training programs in all the Services.

Annually, the NSCC conducts a survey to determine the approximate number of cadets making this career decision. This survey is conducted during the annual inspections of the units. The reported cadet accessions to the services are only those that are known to the unit at that time. There are many accessions that occur in the 2–5 year timeframe after cadets leave their units, which go unreported. With about 80 percent of the units reporting, the survey indicates that 408 known cadets entered the Armed Forces during the reporting year ending December 31, 2004. Further liaison with the USNA indicates that in fact, there are currently 482 Midshipmen with sea cadet backgrounds—almost 10 percent of the entire Brigade. Navy accession recruiting costs have averaged over $14,500 per person, officer or enlisted, which applied to the number of sea cadet accessions represents a significant financial benefit to the Navy. Equally important is the expectation that once a more accurate measurement methodology can be found, is, that since sea cadets enter the Armed Forces as disciplined, well trained and motivated individuals, their retention, graduation and first term enlistment completion rates are perhaps the highest among any other entry group. USNA officials are currently studying graduation rates for past years for ex-sea cadets as a group as compared to the entire Brigade. Their preliminary opinion is that these percents will be among the highest. It is further expected that this factor will be an excellent indicator of the following, not only for the USNA, but for all officer and enlisted programs the sea cadets may enter:

—Extremely high motivation of ex-cadets to enter the Service.

—Excellent background provided by the U.S. Naval sea cadet experience in preparing and motivating cadets to enter the Service.

—Prior U.S. Naval Sea Cadet Corps experience is an excellent pre-screening opportunity for young men and women to evaluate their interest in pursuing a military career. This factor could potentially save considerable tax-payer dollars expended on individuals who apply for, then resign after entering the Academy if they decide at some point they do not have the interest or motivation.

—U.S. Naval sea cadet experience prior to entering the Service is an excellent indicator of a potentially high success rate.

Data similar to the above has been requested from the United States Coast Guard Academy and the United States Merchant Marine Academy.

Whether or not they choose a service career, all sea cadets carry forth learned values of good citizenship, leadership and moral courage that will benefit themselves and our country.

PROGRAM FINANCES

Sea cadets pay for all expenses, including travel to/from training, uniforms, insurance and training costs. Out-of-pocket costs can reach $500 each year. Assistance is made available so that no young person is denied access to the program, regardless of social or economic background.

Federally funded at the $1,000,000 level in fiscal year's 2001, 2002, and 2003, and at $1,500,000 in fiscal year 2004 and $1,700,000 in 2005 (of the $2,000,000 requested), all of these fund were used to offset individual cadet's individual costs for summer training, conduct of background checks for adult volunteers and for reducing future enrollment costs for cadets. In addition to the Federal fund received, NSCC receives under $700,000 per year from other sources, which includes around $226,000 in enrollment fees from cadets and adult volunteers. For a variety of reasons, at a minimum, this current level of funding is necessary to sustain this program and the full $2,000,000 would allow for program expansion:

—All time high in number of enrolled sea cadets.

—General inflation of all costs.

—Some bases denying planned access to sea cadets for training due to increased terrorism threat level alerts and the associated tightening of security measures—requiring cadets to utilize alternative, and often more costly training alternatives.
—Reduced availability of afloat training opportunities due to the Navy's high level of operations related to the Iraq war.
—Reduced training site opportunities due to base closures.
—Non-availability of open bay berthing opportunities for cadets due to their elimination as a result of enlisted habitability upgrades to individual/double berthing spaces.
—Lack of available "Space Available" transportation for group movements.
—Lack of on-base transportation, as the Navy no longer "owns" busses now controlled by the GSA.
—Navy outsourcing of messing facilities to civilian contractors increases the individual cadet's meal costs.

Because of these factors, cadet out-of-pocket costs have skyrocketed to the point where the requested $2,000,000 alone would be barely sufficient to handle cost increases.

It is therefore considered a matter of urgency that the full amount of the requested $2,000,000 be authorized and appropriated for fiscal year 2005.

Senator STEVENS. Our next witness is Sherry Salway Black, Executive Director of the Ovarian Cancer National Alliance.

STATEMENT OF SHERRY SALWAY BLACK, EXECUTIVE DIRECTOR, OVARIAN CANCER NATIONAL ALLIANCE

Ms. BLACK. Good morning Chairman Stevens, Senator Inouye, and other members of the subcommittee. My name is Sherry Salway Black, and I am a 4-year survivor of ovarian and endometrial cancers. As such, I am lucky to stand before you today as the Executive Director of the Ovarian Cancer National Alliance. On behalf of the Alliance, thank you for the opportunity to testify about the Ovarian Cancer Research Program at the Department of Defense.

As a national organization with 50 regional, State, and local groups, the Alliance unites and reaches more than 800,000 grassroots activists, women health advocates, health care professionals, and the public, to bring national attention to ovarian cancer. Since its inception 9 years ago, the Alliance has worked to increase awareness of ovarian cancer and boost Federal resources to support scientific research into diagnostics and treatments of the disease.

Among the most urgent challenges in the ovarian cancer field is late detection, which leads to poor survival rates. To that end, the Alliance respectfully requests the subcommittee to provide a federal investment of $15 million for the DOD Ovarian Cancer Research Program in fiscal year 2007. This amount would be a $5 million increase, and would be the first increase for the program in 4 years. According to the Centers for Disease Control and Prevention, $2.2 billion is spent on treatment for ovarian cancer yearly. This figure could be greatly reduced with an earlier diagnosis, which could only be achieved through an effective screening tool. Research conducted through the ovarian cancer research program aims at developing such a tool.

Like many women, I was lucky when I received my diagnosis. I am considered truly one of the lucky ones. My two cancers were found early in stage one when I had the best chance of surviving, something only 19 percent of women with this disease can claim. Most of the 20,000 women who will receive a diagnosis of ovarian cancer this year will never have the opportunity to speak before

this subcommittee, because they will fight ovarian cancer until it claims their lives. Currently, almost half, 45 percent, of women with ovarian cancer die within 5 years of diagnosis.

Like most women diagnosed early, my good fortune was not the result of my awareness of the symptoms or knowledge that I was a higher risk, and it was not the result of my having access to a currently nonexistent early screening test. My good fortune was the lucky result of my perseverance with my doctor and my subsequent treatment by an appropriate gynecologic oncologist specialist.

All women should have the opportunity to survive ovarian cancer. No one should have to rely on luck for survival. Consistent investment in ovarian cancer research is vital in our fight against this deadly disease. The DOD Ovarian Cancer Research Program is essential in our national research portfolio. This program strives to fill the myriad of gaps in our knowledge, and is searching for innovative unique approaches to solve the enigma of early detection.

Awards made by the DOD ovarian cancer research program are designed to stimulate research that will attract new investigators into the field, challenge existing paradigms, and support collaborative ventures including partnerships with private and public institutions. The innovation grants offered by the DOD Ovarian Cancer Research Program are paramount to our success, since traditional research models have failed to make timely progress against ovarian cancer.

Today, we rely on the grace of luck for protection against ovarian cancer, and therefore, mortality rates have not significantly decreased in decades. If your wife, mother, daughter, or friend, were diagnosed with ovarian cancer this year, her chances of surviving ovarian cancer would not be significantly different than your grandmother's chances. In the 21st century, it is no longer acceptable to depend on luck to save women's lives. We must continue to learn more about this disease so we can definitively change the future for our daughters, granddaughters, and all women.

The DOD Ovarian Cancer Research Program is small but it does tremendous work for the Nation. It is financially and scientifically sound, with a track record of success. The program operated with only a 6 percent management cost in 2005, and has received accolades. Just last week we learned that the House committee subcommittee agreed to appropriate $15 million for the DOD Ovarian Cancer Research Program. For the second year in a row they have recognized the urgent need to support this program with a $5 million increase, despite a tough budget climate.

It is my sincere hope that this subcommittee will join them by appropriating $15 million to the Ovarian Cancer Research Program in fiscal year 2007. Thank you for the opportunity to testify, and I'm happy to answer any questions you might have.

Senator STEVENS. Thank you very much. Since this subcommittee first added money to the defense budget in 1981 for medical research, and it was breast cancer at the time, and AIDS I think in 1982, it has grown from $25 million a year to over $1 billion. I expect we will get requests from every segment here today to increase that funding, but it really has reached its level where it would be very difficult to increase that much further, and main-

tain the support we have to maintain for our troops in the field. But we will try. Thank you very much.

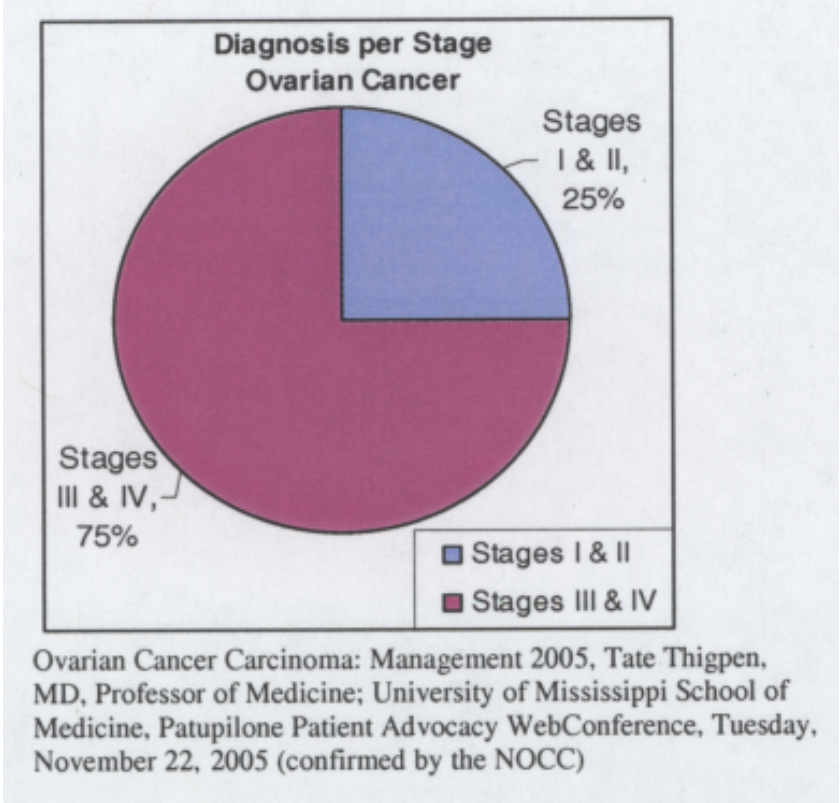
Ms. BLACK. Thank you very much.

[The statement follows:]

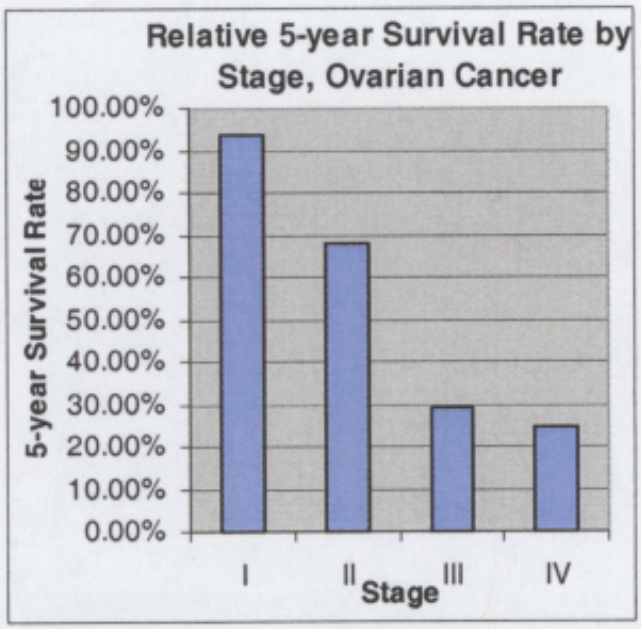
PREPARED STATEMENT OF SHERRY SALWAY BLACK

OVARIAN CANCER'S DEADLY STATISTICS

According to the American Cancer Society, in 2006 more than 20,000 American women will be newly diagnosed with ovarian cancer, and more than 15,000 women will lose their lives to it, making this disease the fifth leading cause of cancer death in women. Currently, almost half (45 percent) of women with ovarian cancer will die within 5 years of diagnosis. More than 75 percent of women with ovarian cancer are diagnosed in later stages, when the 5-year survival rate drops below 30 percent. When detected early, the 5-year survival rate increases to more than 90 percent. The key to increased survival rates is early detection, but a valid and reliable screening test does not yet exist.



Graph 1



Cancer Statistics Review, 1975-2002 Surveillance Epidemiology and End Results, National Cancer Institute
http://seer.cancer.gov/cgi-bin/csr/1975_2002/search.pl#results

Graph 2

Today, it is both striking and disheartening to see that despite progress made in the scientific, medical and advocacy communities, ovarian cancer mortality rates have not significantly decreased. Behind the sobering statistics are the lost lives of our loved ones, colleagues and community members. While we have been waiting for the development of an early detection test, hundreds of thousands of our loved ones have lost their battle to ovarian cancer.

Today, early diagnosis is rarely a result of a patients' awareness of symptoms or their physicians' awareness. Rather, early diagnosis is often the result of pure luck. In a country as wealthy and scientifically advanced as the United States, women should not have to rely on luck for their survival. Ovarian cancer research must continue through all possible avenues, building a comprehensive knowledge of its symptoms, causes and treatments. All women should have access to treatment by a specialist. All women should have access to a valid and reliable screening test. We must deliver new and better treatments to patients and the health care professionals who treat them. Research conducted through the DOD Ovarian Cancer Research Program works toward a better understanding of this cancer in collaboration with the National Cancer Institute (NCI) and the National Institutes of Health to avoid duplication of research.

THE OVARIAN CANCER RESEARCH PROGRAM AT THE DEPARTMENT OF DEFENSE

Congress has appropriated funds for the DOD Ovarian Cancer Research Program since 1997. The program was charged to attract new investigators into the field and fund multidisciplinary research that investigates innovative study methods for learning about early detection, screening and treatment of ovarian cancer. The program offers awards that specifically seek to fill gaps in ongoing research and to complement initiatives sponsored by other agencies.

Since its inception, the DOD Ovarian Cancer Research Program has lead to numerous discoveries, including:

—*Risk Factor Breakthrough.*—The discovery that the hormone progestin is a key agent in oral contraceptives' activity in reducing the risk of ovarian cancer.

—*Treatment Breakthrough.*—The recognition of three new anti-angiogenesis agents; in cancer, excessive angiogenesis feeds the cancerous tissue oxygen and nutrients, destroying surrounding healthy tissues while allowing tumor cells to metastasize. The development of anti-angiogenesis agents through ovarian cancer research has had implications for all cancers.

—*Early Detection Breakthrough.*—The identification of new biomarkers which have the potential to improve early detection. Increased funding will allow investigators to begin early stage clinical trials to determine the utility of their discoveries.

—*Treatment Breakthrough.*—The use of alpha radiation to treat advanced ovarian cancer; alpha radiation efficiently kills ovarian cancer cells with multivesicular liposomes to control negative results.

SPRINGBOARD OF DISCOVERY

Research conducted through the DOD Ovarian Cancer Research Program has contributed 246 publications and 274 abstracts, serving to bolster and expand the limited body of scientific knowledge of ovarian cancer. Perhaps most significantly, the Ovarian Cancer Research Program is responsible for the recruitment of 28 new investigators. Additionally, the Fox Chase Cancer Center and the Fred Hutchinson Cancer Research Center reported that the progress made through their DOD Program Project Awards enabled both institutions to successfully compete for NCI SPORE (Specialized Programs of Research Excellence) funding to pursue additional long-term ovarian cancer research.

This body of scientific accomplishments would enjoy significant growth with expanded funding. In fiscal year 2005, the Ovarian Cancer Research Program was only able to fund less than 15 percent of its received research proposals. With increased funding, additional research initiatives could be supported, resulting in an increase in our scientific knowledge of ovarian cancer.

The maturation of the DOD Ovarian Cancer Research Program infrastructure and management, plus the culmination of past investments have combined for an explosion of exciting scientific discoveries in the past 2 years. In 2005 the pace of discovery increased notably. Researchers funded by the DOD Ovarian Cancer Research Program made substantial progress with the following breakthroughs:

—*Early Diagnosis.*—Identification of three genes that control the development of ovarian cancer, which may serve as molecular markers for improved early diagnosis.

—*Early Diagnosis.*—Recognition of two new serum biomarkers expressed in early stage ovarian cancer, which may serve as the basis for an early detection test.

—*Treatment Improvement.*—Discovery of immune cells' role in ovarian cancer, leading to the development of a new therapy that will help prevent tumors from receiving the nutrients necessary to grow and metastasize.

—*Treatment Improvement.*—Detection of the inhibitory qualities of a genetically-engineered protein on the growth of ovarian cancer, which may develop into a viable treatment option.

—*Treatment Improvement.*—Findings on the benefits of squalamine (an organic compound) in increasing the effectiveness of classic ovarian cancer chemotherapy treatments.

These breakthroughs demonstrate that the science is ripe for significant advancement in our knowledge of ovarian cancer. We must take advantage of this opportunity by supporting the DOD Ovarian Cancer Research Program through sustained appropriations in fiscal year 2007.

INCREASED INVESTMENT NEEDED

In fiscal year 2005, the DOD Ovarian Cancer Research Program received 225 proposals, but due to resource limitations, was only able to fund 16 awards. The program has achieved great success, but to decrease ovarian cancer mortality rates we must sustain our investment in ovarian cancer research. Without enhanced funding the discoveries outlined in this testimony will never be translated into clinical research.

Funding allocated in fiscal year 2006 will support grants in three research areas: (1) etiology and tumor biology, (2) preclinical development of targeted therapeutics, and (3) early detection and diagnosis. If granted, fiscal year 2007 funds would help expand these research areas.

—Concept Awards are grants that focus on attracting researchers who wish to challenge current approaches in ovarian cancer research, explore innovative concepts and pursue under-explored hypotheses.
—Idea Development Awards are grants for researchers who wish to improve current approaches to prevention, detection, diagnosis and treatment of ovarian cancer. These awards focus on the implementation of innovative methods of research or novel adaptations of existing methods of research.
—Historically Black Colleges & Universities/Minority Institutions Collaborative Research Awards link novice investigators with well-established ovarian cancer researchers to encourage the involvement of minority institutions in the fight against ovarian cancer.

The DOD Ovarian Cancer Research Program has received $10 million for each of the past 5 years for which we thank the subcommittee. However, when biomedical inflation is taken into account, the allocation represents an overall diminished level of funding—at the same time ovarian cancer mortality rates remain constant. With additional funding, the DOD Ovarian Cancer Research Program can support new grants, provide funding to promising young investigators, and allocate additional resources to grants that should be extended or renewed.

SUMMARY AND CONCLUSION

We still do not fully understand the risk factors, symptoms or causes of ovarian cancer. We still do not have an early detection test for ovarian cancer. As a result, mortality rates for this deadly disease have remained constant far too long. Previous appropriations Congress has made for the DOD Ovarian Cancer Research Program are appreciated and have helped move the field forward. New resources are needed in the coming year to sustain current efforts, but more importantly to continue to reap benefits from previous and current Federal investments.

The Alliance maintains a long-standing commitment to work with Congress, the administration, and other policymakers and stakeholders to improve the survival rate from ovarian cancer through education, public policy, research and communication. Please know we appreciate and understand that our Nation faces many challenges and Congress has limited resources to allocate; however, we are concerned that without increased funding to bolster and expand ovarian cancer research efforts, the Nation will continue to see growing numbers of women lose their battle with this terrible disease.

Thank you for your consideration of our views and for providing $15 million in fiscal year 2007 for the DOD Ovarian Cancer Research Program.

Senator STEVENS. Our next witness is Captain Marshall Hanson, the National Military Veterans Alliance. Good morning.

Captain HANSON. Thank you, Mr. Chairman.

STATEMENT OF CAPTAIN MARSHALL HANSON, UNITED STATES NAVY RESERVE (RETIRED), CO-DIRECTOR, NATIONAL MILITARY VETERANS ALLIANCE

Captain HANSON. As co-director of the National Military Veterans Alliance (NMVA), I am honored to testify on behalf of the National Military and Veterans Alliance. The Alliance has grown to 30 military retiree, veterans, and survivor associations, representing over 3.5 million members. The overall goal of the NMVA is a strong national defense.

In the long war, recruiting and retention has become paramount. The willingness of our young people today to serve in this war will relate to their perception of how the veterans of this war are being treated. The NMVA supports various incentives and bonuses to encourage participation. Our serving members are patriots willing to accept peril and sacrifice to defend the value of this country. All they ask for is fair recompense for their actions. At a time of war, compensation really offsets the risks. Let's not undervalue our young warriors. These payments are an investment toward our national security.

The targeted pay increases included in Senate Bill 2766 align with NMVA's goals. It is also crucial that the military health care is funded. NMVA is concerned that the President's DOD health care budget may have been underestimated because of some suggested Pentagon initiatives. We ask that you continue to fully fund military health care in fiscal year 2007. We do not want our serving members to be distracted from their mission with worries about their families' health care. And if our servicemembers pay that ultimate sacrifice, we need to provide every financial support to their families to help them in transition.

The survivor benefit plan dependency and indemnity compensation offset is a conflict between a purchased annuity and an indemnity program. It affects our serving members. Recently, Congress created active duty survivor benefit plan (SBP) as a benefit intended for families who lost servicemembers. With the present offsets, the vast majority of our enlisted families receive no benefit from this new program because SBP is completely offset by dependency and indemnity compensation (DIC). This affects both younger and older surviving families.

Senate Bill 2766, section 642, repeals the requirement of reducing SBP to offset DIC. The NMVA respectfully requests that this subcommittee fund that provision.

Further, NMVA supports funding section 606, which extends a continuation of housing allowances for spouses and dependents of members who have died on active duty. The NMVA also supports funding of full payment of premiums for coverage under the servicemembers' group life insurance program during service in Operation Enduring Freedom, or Operation Iraqi Freedom.

Our Active and Reserve serving members face enough challenges as they adapt to a lifestyle with an ever-present war. The NMVA is confident in your ongoing support, and the Alliance would like to thank the subcommittee for its efforts, and this opportunity to testify. Please let us know how we can assist.

Senator STEVENS. Well, thank you very much. I think a lot of the things you suggested require the authorization subcommittee's concurrence first, before we can appropriate the moneys, but will follow their lead if we——

Captain HANSON. Right, and they have been placed in the markup of the bill, and of course the Senate will be looking at that in the next couple of weeks.

Senator STEVENS. All right. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF MARSHALL HANSON

INTRODUCTION

Mr. Chairman and distinguished Members of the committee, the National Military and Veterans Alliance (NMVA) is very grateful for the invitation to testify before you about our views and suggestions concerning defense funding issues. The overall goal of the National Military and Veteran's Alliance is a strong National Defense. In light of this overall objective, we would request that the committee examine the following proposals.

While the NMVA highlights the funding of benefits, we do this because it supports National Defense. A phrase often quoted "The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional as to how they perceive the veterans of earlier wars were treated and appreciated by their country," has been frequently attributed to General George

Washington. Yet today, many of the programs that have been viewed as being veteran or retiree are viable programs for the young veterans of this war. This phrase can now read "The willingness with which our young people, today, are willing to serve in this war is how they perceive the veterans of this war are being treated."

In a long war, recruiting and retention becomes paramount. The National Military and Veterans Alliance, through this testimony hope to address funding issues that apply to the veterans of various generations.

PAY AND COMPENSATION

Our serving members are patriots willing to accept peril and sacrifice to defend the values of this country. All they ask for is fair recompense for their actions. At a time of war, compensation rarely offsets the risks.

The NMVA requests funding so that the annual enlisted military pay raise equals or exceeds the Employment Cost Index (ECI).

Further, we hope that this committee supports targeted pay raises for those mid-grade members who have increased responsibility in relation to the overall service mission.

NMVA would apply the same allowance standards to both Active and Reserve when it comes to Aviation Career Incentive Pay, Career Enlisted Flyers Incentive Pay, Diving Special Duty Pay, Hazardous Duty Incentive Pay and other special pays. We thank Congress for recognizing, last year that foreign language professional pay was for a special skill needing to be maintained 365 days a year.

The Service chiefs have admitted one of the biggest retention challenges is to recruit and retain medical professionals.

NMVA urges the inclusion of bonus/cash payments (Incentive Specialty pay IPS) into the calculations of retirement pay for military health care providers. NMVA has received feedback that this would be incentive to many medical professionals to stay in longer.

FORCE POLICY AND STRUCTURE

End Strength

The NMVA supports funding increases in support of the end strength boosts of the active duty component of the Army and Marine Corps that have been recommended by Defense authorizers. New recruits need to be found and trained now to start the process so that American taxpayer can get a return on this investment. Such growth is not instantaneously productive. NMVA also hopes that this subcommittee would include language reminding the Department of Defense that once appropriated that each service should proactively recruit to try to attain these numbers.

The NMVA would like to also put a freeze on reductions to the Guard and Reserve manning levels. With the Commission on the Guard and Reserve now active, it makes sense to put a moratorium on changes to End Strength until after they report back to Congress with recommendations. NMVA urges this subcommittee to fund to last year's levels.

SURVIVOR BENEFITS PLAN (SBP) AND SURVIVOR IMPROVEMENTS

The Alliance wishes to deeply thank this subcommittee for your funding of improvements in the myriad of survivor programs.

However, there are still two remaining issues to deal with to make SBP the program Congress always intended it to be:

—Ending the SBP/DIC offset and

—Moving up the effective date for paid up SBP to October 1, 2006.

SBP/DIC Offset affects several groups. The first is the family of a retired member of the uniformed services. At this time the SBP annuity he or she has paid for is offset dollar for dollar for the DIC survivor benefits paid through the VA, this puts a disabled retiree in a very unfortunate position. If he or she is leaving the service disabled it is only wise to enroll in the Survivor Benefit Plan (perhaps being uninsurable in the private sector). If death is service connected then the survivor looses dollar for dollar for what the DIC pays.

SBP is a purchased annuity, an earned employee benefit. It is a retirement plan for the surviving spouse. Dependency and Indemnity Compensation (DIC) is an indemnity program to compensate a family for the loss of a loved one due to his or her military service. They are different programs created to fill different purposes and needs.

A second group affected by this dollar for dollar offset is made up of families whose servicemember died on active duty. Recently Congress created active duty

SBP. These service members never had the chance to pay into the SBP program. But clearly Congress intended to give these families a benefit. With the present offset in place the vast majority of families receive no benefit from this new program, because the vast number of our losses are young men or women in the lower paying ranks. SBP is completely offset by DIC payments.

Other affected families are servicemembers who have already served a substantial time in the military. Their surviving spouse is left in a worse financial position that a younger widow. The older widows will normally not be receiving benefits for her children from either Social Security or the VA and will normally have more substantial financial obligations (mortgages etc). This spouse is very dependent on the SBP and DIC payments and should be able to receive both.

Thirty Year Paid-Up SBP.—In the fiscal year 1999 Defense Authorization Act Congress created a simple and fair paid up provision for the Survivor Benefit Plan. A member who had paid into the program for 30 years and reached the age of 70 could stop paying premiums and still have the full protection of the plan for his or her spouse. Except that the effective date of this provision is October 1, 2008. Many have been paying for as long as 34 years.

The NMVA respectfully requests this subcommittee fund the SBP/DIC offset and 30 year paid-up SBP if authorized.

CURRENT AND FUTURE ISSUES FACING UNIFORMED SERVICES HEALTH CARE

The National Military and Veterans Alliance must once again thank this committee for the great strides that have been made over the last few years to improve the health care provided to the active duty members, their families, survivors and Medicare eligible retirees of all the Uniformed Services. The improvements have been historic. TRICARE for Life and the Senior Pharmacy Program have enormously improved the life and health of Medicare Eligible Military Retirees their families and survivors. It has been a very successful few years.

Yet there are still many serious problems to be addressed:

Full Funding For The Defense Health Program

The Alliance applauds the subcommittee's role in providing adequate funding for the Defense Health Program (DHP) in the past several budget cycles. As the cost of health care has risen throughout the country, you have provided adequate increases to the DHP to keep pace.

This is again one of the Alliance's top priorities. With the additional costs that have come with the deployments to Southwest Asia, Afghanistan and Iraq, we must all stay vigilant against future budgetary shortfalls that would damage the quality and availability of health care.

With the authorizers having postponed the Department of Defenses suggested fee increases, NMVA is concerned that the budget saving have already been adjusted out of the President's proposed budget. NMVA is confident that this subcommittee will continue to fund the DHP so that there will be no budget shortfalls.

The National Military and Veterans Alliance urges the subcommittee to continue to ensure full funding for the Defense Health Program including the full costs of all new programs.

TRICARE Pharmacy Programs

DOD is suggesting an increase in co-payments at retail pharmacy from $3 to $5 for generic prescriptions, and from $9 to $15 for brand drugs. Generic pharmacy mail order prescriptions would drop from $3 to $0 to align with military clinics.

DOD's rationalize is that it costs the government twice as much for a drug through the TRICARE Retail Pharmacy program (TRRx) than it does for the same drug through the TRICARE Mail Order Pharmacy Program (TMOP). DOD believes the rise in the TRRx co-payments will increase revenue and force beneficiaries migrate to the TMOP program, where the costs for their prescriptions are lower.

NMVA may understand the motives for this change, but has concerns about how it is being implemented. Often times the retail pharmacy network is the only source to immediately fill a prescription, as many pharmacy beneficiaries are unable to go to a military clinic for the initial prescription. To truly motivate beneficiaries to a shift from retail to mail order adjustments need to be made to both generic and brand name drugs co-payments.

Ideally, the NMVA would like to see the reduction in mail order co-payments without an increase in co-payments for retail pharmacy, but . . . .

NMVA suggests that if pharmacy co-payments are adjusted that:

—(1) The higher retail pharmacy co-payments not apply on an initial prescription, but on refills of a serial maintenance prescription, and

—(2) If co-payments must be raised on retail pharmacy, that both generic and brand name mail order prescriptions be reduced to zero $ co-payments.

The National Military and Veterans Alliance urges the subcommittee to adequate fund adjustments to co-payments in support of recommendations from defense authorizers.

TRICARE Standard Improvements

TRICARE Standard grows in importance with every year that the global war on terrorism continues. A growing population of mobilized and demobilized Reservists depends upon TRICARE Standard. A growing number of younger retirees are more mobile than those of the past, and likely to live outside the TRICARE Prime network.

An ongoing challenge for TRICARE Standard involves creating initiatives to convince health care providers to accept TRICARE Standard patients. Health care providers are dissatisfied with TRICARE reimbursement rates that are tied to Medicare reimbursement levels. The Alliance was pleased and relieved by the administration's and Congress' recent corrections and improvements in Medicare reimbursement rates, which helped the TRICARE program.

Yet this is not enough. TRICARE Standard is hobbled with a reputation and history of low and slow payments as well as what still seems like complicated procedures and administrative forms that make it harder and harder for beneficiaries to find health care providers that will accept TRICARE. Any improvements in the rates paid for Medicare/TRICARE should be a great help in this area. Additionally, any further steps to simplify the administrative burdens and complications for health care providers for TRICARE beneficiaries hopefully will increase the number of available providers.

The Alliance asks the Defense Subcommittee to include language encouraging continued increases in TRICARE/Medicare reimbursement rates.

TRICARE Retiree Dental Plan (TRDP)

The focus of the TRICARE Retiree Dental Plan (TRDP) is to maintain the dental health of Uniformed Services retirees and their family members. Several years ago we saw the need to modify the TRDP legislation to allow the Department of Defense to include some dental procedures that had previously not been covered by the program to achieve equity with the active duty plan.

With ever increasing premium costs, NMVA feels that the Department should assist retirees in maintaining their dental health by providing a government cost-share for the retiree dental plan. With many retirees and their families on a fixed income, an effort should be made to help ease the financial burden on this population and promote a seamless transition from the active duty dental plan to the retiree dental plan in cost structure. Additionally, we hope the Congress will enlarge the retiree dental plan to include retired beneficiaries who live overseas.

The NMVA would appreciate this committee's consideration of both proposals.

NATIONAL GUARD AND RESERVE HEALTH CARE

Funding Improved Tricare Reserve Select

It is being suggested that the TRICARE Reserve Select healthcare plan be changed to allow the majority of Selected Reserve participate at a 28 percent co-payment level with the balance of the premium being paid by the Department of Defense.

NMVA asks the committee for funding to support a revised TRICARE Reserve Select program.

Mobilized Health Care—Dental Readiness Of Reservists

The number one problem faced by Reservists being recalled has been dental readiness. A model for healthcare would be the TRICARE Dental Program, which offers subsidized dental coverage for Selected Reservists and self-insurance for SELRES families.

In an ideal world this would be universal dental coverage. Reality is that the services are facing challenges. Premium increases to the individual Reservist have caused some junior members to forgo coverage. Dental readiness has dropped. The military services are trying to determine how best to motivate their Reserve Component members but feel compromised by mandating a premium program if Reservists must pay a portion of it.

Services have been authorized to provide dental treatment as well as examination, but without funding to support this service. By the time many Guard and Reserve are mobilized, their schedule is so short fused that the processing dentists don't have time for extensive repair.

The National Military and Veterans Alliance supports funding for utilization of Guard and Reserve Dentists to examine and treat Guardsmen and Reservists who have substandard dental hygiene. The TRICARE Dental Program should be continued, because the Alliance believes it has pulled up overall dental readiness.

Demobilized Dental Care

Under the revised transitional healthcare benefit plan, Guard and Reserve who were ordered to active duty for more than 30 days in support of a contingency and have 180 days of transition health care following their period of active service.

Similar coverage is not provided for dental restoration. Dental hygiene is not a priority on the battlefield, and many Reserve and Guard are being discharged with dental readiness levels much lower than when they were first recalled. At a minimum, DOD must restore the dental state to an acceptable level that would be ready for mobilization, or provide some subsidize for 180 days to permit restoration from a civilian source.

Current policy is a 30 day window with dental care being space available at a priority less than active duty families.

NMVA asks the committee for funding to support a DOD's demobilization dental care program. Additional funds should be appropriated to cover the cost of TRICARE Dental premiums and co-payment for the 6 months following demobilization if DOD is unable to do the restoration.

OTHER RESERVE/GUARD ISSUES

MGIB–SR Enhancements

Approximately 7.8 percent of the enlisted Reservists have a Bachelors degree or higher. This makes the Montgomery G.I. Bill for Selective Reserves (MGIB–SR) an important recruiting and retention tool. With massive troop rotations the Reserve forces can expect to have retention shortfalls, unless the government provides incentives such as a college education. Education is not only a quality of life issue or a recruiting/retention issue it is also a readiness issue. Education a Reservist receives enhances their careers and usefulness to the military. The ever-growing complexity of weapons systems and support equipment requires a force with far higher education and aptitude than in previous years.

The problem with the current MGIB–SR is that the Selected Reserve MGIB has failed to maintain a creditable rate of benefits with those authorized in Title 38, Chapter 30. Other than cost-of-living increases, only two improvements in benefits have been legislated since 1985. In that year MGIB rates were established at 47 percent of active duty benefits. The MGIB–SR rate is 27 percent of the chapter 30 benefits. Overall the allowance has inched up by only 7 percent since its inception, as the cost of education has climbed significantly.

The NMVA requests appropriations funding to raise the MGIB–SR and lock the rate at 50 percent of the active duty benefit. Cost: $25 million/first year, $1.4 billion over 10.

Bonuses

Guard and Reserve component members may be eligible for one of three bonuses, prior enlistment bonus, reenlistment bonus and Reserve affiliation bonuses for prior service personnel. These bonuses are used to keep men and woman in mission critical military occupational specialties (MOS) that are experiencing falling numbers or are difficult to fill. During their testimony before this committee the reserve chiefs addressed the positive impact that bonuses have upon retention. This point cannot be understated. The operation tempo, financial stress and civilian competition for jobs make bonuses a necessary tool for the DOD to fill essential positions. Though the current bonus program is useful there is a change that needs to be addressed to increase effectiveness.

The primary requirement for eligibility and payment of a bonus upon reenlistment is that the member must have completed less than 14 years of total military service and not be paid more than one 6-year bonus or two 3-year bonuses under this section. Increasing the eligibility for reenlistment bonuses to 20 years of total military service and increasing the number of bonuses that can be paid under this section could expand the available force pool, as mid-level enlisted Reserve members could take advantage of the new bonus criteria. Using a 20 year service cutoff instead of a 14 year period would encourage selected experienced mid-level subject matter experts to reenlist to established high year of tenure or mandatory separation dates and the added retained experience would boost each service's retention effort in critical skill areas. As each Service uses members of the Selected Reserve in different capacities, each Service Secretary may use this new authority as required as a force management tool.

The NMVA would like to see the Reserve chiefs receive the funds and the authority to an increase in eligibility from 14 to 20 years and the ability for Reservists to receive bonuses while on active duty orders.

Reserve/Guard Funding

We are concerned about ongoing DOD initiatives to end "2 days pay for 1 days work," and replace it with a plan to provide one-thirtieth of a month's pay model, which would include both pay and allowances. Even with allowances, pay would be less than the current system. When concerns were addressed about this proposal, a retention bonus was the suggested solution to keep pay at the current levels. Allowances differ between individuals and can be affected by commute distances and even zip codes. Certain allowances that are unlikely to be paid uniformly include geographic differences, housing variables, tuition assistance, travel, and adjustments to compensate for missing health care.

The NMVA strongly recommends that the Reserve pay system "2 days pay for 1 days work," be funded and retained, as is.

Ensure adequate funding to equip Guard and Reserve at a level that allows them to carry out their mission. Do not turn these crucial assets over to the active duty force. In the same vein we ask that the Congress ensure adequate funding that allows a Guardsman/Reservist to complete 48 drills, and 15 annual training days per member, per year. DOD has been tempted to expend some of these funds on active duty support rather than personnel readiness.

The NMVA strongly recommends that Reserve Program funding remain at sufficient levels to adequately train, equip and support the robust Reserve force that has been so critical and successful during our Nation's recent major conflicts.

ARMED FORCES RETIREMENT HOMES

Following Hurricane Kristina, Navy/Marine Corps residents from AFRJ-Gulfport were evacuated from the hurricane-devastated campus and were moved to the AFRH-Washington DC campus. Dormitories were reopened that are in need of refurbishing.

NMVA urges this subcommittee to fund upgrades to the Washington DC facility, and also provide funding to rebuild the Gulfport facility.

CONCLUSION

Mr. Chairman and distinguished Members of the subcommittee the Alliance again wishes to emphasize that we are grateful for and delighted with the large steps forward that the Congress has affected the last few years. We are aware of the continuing concern all of the subcommittee's Members have shown for the health and welfare of our service personnel and their families. Therefore, we hope that this subcommittee can further advance these suggestions in this committee or in other positions that the Members hold. We are very grateful for the opportunity to submit these issues of crucial concern to our collective memberships. Thank you.

Senator STEVENS. Our next witness is Seth Benge, the Associations for America's Defense. Good morning.

STATEMENT OF SETH BENGE, DIRECTOR OF LEGISLATION, RESERVE ENLISTED ASSOCIATION, ON BEHALF OF THE ASSOCIATIONS FOR AMERICA'S DEFENSE (A4AD)

Mr. BENGE. Mr. Chairman, good morning.

As a sergeant in the Marine Corps Reserve, I was deployed last year to Ramadi, Iraq for 7 months, from March to October. Presently, I serve as the legislative director for the Reserve Enlisted Association. I am testifying on behalf of the Associations for America's Defense. A4AD looks at national defense, equipment, force structure and policy issues not normally addressed by the military support community.

First, we would like to thank the subcommittee for the ongoing stewardship on defense issues at a time of war. Its pro-defense, nonpartisan leadership sets the example.

Support for our troops fighting the global war on terror is of primary importance and warrants top priority. The military needs to

continually train with not only the tactics, techniques, and procedures, but with the equipment they will use while deployed. It is tempting to focus only on those that are in the fight. And they should be given what they need to complete the mission. But before any soldier gets to combat, they first must be trained, and we should continue to follow the axiom, "train as you fight."

If we could buy enough equipment for units before deployment, the commanders would have a better chance to evaluate new gear and give our forces time to become more proficient in its use. Prior training frees soldiers to engage in more important aspect of their mission. Armored Humvees, personal body armor, and improvise explosive device (IED) jamming devices are saving lives. But we would rather stop the IEDs before they explode. I saw vehicles with their front ends blown off, or hit by rocket powered grenades (RPG), with relatively minor injuries to the crew. Conversely, the terrorists have tried to overcome the armor by larger explosives, and changing their tactics.

Having Iraqis tell us the location of the IEDs, individual soldiers spotting them, or explosive ordnance disposal teams finding and clearing them, are the most common and preferred methods of defense against roadside bombs. Trying to master a vehicle can be a distraction from these important measures.

Equipment is only a tool, and is far more effective when soldiers are given the time in advance to develop the skills to use it. A vehicle that weighs several tons more than an unarmored one drives differently. It turns, accelerates, and decelerates, and stops differently. The skills required to operate this equipment need to be learned before driving out the front gate of a base in a foreign land.

Individual movement with personal gear should be a matter of muscle memory brought on by months of use. Just moving in and out of an armored vehicle with full gear and weapons is not the same as simply getting out of an unarmored Humvee with just a flack and Kevlar on. Running down streets or climbing over walls, or going into and out of houses, is also different in full combat gear. Without practice, it is easy to get tangled, tripped up, slowed down, and become an easy target.

Recently, there was some debate in the media regarding marines being issued even more body armor; specifically, side plates. Many troops feel that the 70-plus pounds of gear, armor, and ammo, that today's marines and soldiers wear, is too much. These troops need to wear the gear earlier to adjust. Otherwise, it may not be worn or shed in the heat of battle.

Another glaring area is with communication equipment. Currently, we have small handheld radios used to speak among individuals. But we didn't receive these until we were in the country for several weeks. In an environment where the enemy can appear and disappear into the crowd, where there are firefights around the corner, the ability to share information horizontally among the soldiers is as important as the ability to send information up the chain of command. Combat is not the time or place for hands-on training with such important tools.

In the Guard and Reserve this training is especially difficult because they have become increasingly underequipped. With the shift to have these troops train, mobilize, deploy, so that they can be

more operational, we need to assure that the Guard and Reserve also have the proper funding for equipment.

As you continue to buy new equipment and start to put money into resetting the force, I would urge the subcommittee to remember that victory in combat begins the moment that young men and women step off of a bus and into basic training.

Thank you again for this opportunity to testify before this subcommittee.

Senator INOUYE [presiding]. I thank you very much, sir.

Mr. BENGE. Thank you, Senator.

[The statement follows:]

PREPARED STATEMENT OF SETH BENGE

INTRODUCTION

Mr. Chairman and distinguished Members of the committee, the Associations for America's Defense (A4AD) are very grateful for the invitation to testify before you about our views and suggestions concerning current and future issues facing the defense appropriations.

The Association for America's Defense is an adhoc group of 11 military and veteran associations that have concerns about national security issues that are not normally addressed by either The Military Coalition, or the National Military and Veterans Alliance. Among the issues that are addressed are equipment, end strength, force structure, and defense policy. Collectively, we represent about members, who are serving our Nation, or who have done so in the past.

A4AD, also, cooperatively works with other associations, who provide input while not including their association name to the membership roster.

CURRENT VERSUS FUTURE; ISSUES FACING DEFENSE

The Associations for America's Defense would like to thank this subcommittee for the on-going stewardship that it has demonstrated on issues of defense. At a time of war, its pro-defense and non-partisan leadership continues to set the example.

Lessons learned from the war have only fueled the debate on what is needed for National Defense. Your committee faces numerous issues and decisions. You are challenged at weighing people against technology, and where to invest dollars. Multi-generations of weapons are being touted, forcing a competition for limited budgetary resources.

Members of A4AD group are concerned that hasty recommendations about U.S. Defense policy could place national security at risk. Careful study is needed to make the right choice. A4AD is pleased that Congress and this subcommittee continue oversight in these decisions.

Pentagon criticism is that our Armed Forces are archaic; structured for a Cold War. Yet it has been those legacy systems that have brought success in Iraq and Afghanistan.

Are Business Practices Practical?

The 2005 QDR emphasizes the needs of the area combat commanders, and seeks a "demand driven" approach to "reduce unnecessary program redundancy, improve joint interoperability and streamline acquisition and budgeting processes." In industry "demand driven" flow is called Just-in-Time (JIT) management.

JIT attacks waste in the manufacturing process, working to identify and reduce or eliminate excess set-up and lead times, inventory, and scrap by exposing problems and bottlenecks and streamlining production.

DOD's JIT concept is to reduce the amount and length in the logistics tail. The idea is to minimize investment, and get the bullet and spare parts to the troops on the line as they need them. The Pentagon wants to eliminate a "steel mountain" of supplies.

Industry has been trying to perfect JIT for 30 years. A few industries have been able to use it, in others it causes hiccups. The risk is a shut down in production, and the more complex the system, the higher the risk. In many cases, the inventorying costs are shifted from producer to supplier to stock parts at a different site, which increases the costs of spare parts. Shipping expenses go up, as shortages tend to be "overnighted" when the scheduling goes haywire. In most cases, the bottom line is a more expensive product, which for the Pentagon would mean a higher DOD expense.

The Pentagon has suggested the reduction of redundancy by consolidation and the elimination of military positions which would be replaced by contractors. The question that arises is "What are the elements that ensure successful implementation outcomes between the government purchasing offices and various commercial contractors?" If outcomes become less predictable the risk is not to contractors but to soldiers, sailors, marines, and airman and the war effort.

Dependence On Foreign Partnership

The QDR highlights DOD's move "from a large institutional force to a future force that is tailored for expeditionary operations." The QDR also states that "the future force must be more tailored, more accessible to the joint commander, and better configured to operate with other agencies and international partners in complex operations." and that "combatant commanders will expand the concept of contracting volunteers . . . "

Echoing the QDR, Gordon England, the deputy defense secretary stated in March at the Defense Security Cooperation Agency Worldwide Conference that in order "to meet the diverse security challenges of the future, DOD must strengthen and adapt long-term alliances, as well as form relationships with new international partners, enabling them to enhance their capabilities."

″Effective multinational efforts are essential to solve the problems we face together," England added.

The Navy seeks a "1,000-ship Navy." The Chief of Naval Operations, Admiral Mike Mullen, called for "a fleet-in-being . . . comprised of all freedom-loving nations, standing watch over the seas, standing watch over each other." Mullen's concept is to build on existing international security agreements to extend the global reach of sea power. "We need to be a team player, a leader, for that 1,000-ship Navy and a citizen in good standing for the city at sea," he said.

The risk of basing a national security policy on foreign interests and good world citizenship is increasing uncertainty because the United States does not necessarily control our foreign partners, countries whose objectives may differ with from own. This is more an exercise of consensus building rather than security integration. Alliances should be viewed as a tool and a force multiplier, but not the foundation of National Security.

While an idea or a vision can be a catalyst to enthusiasm, this should not lead directly to change. Ideas should be tested and be judged not by a logic structure but by an outcome. The United States will always need a minimum force structure that permits us to defend ourselves.

IS THERE A PLACE FOR LEGACY WEAPONS?

A4AD suggests that existing legacy weapons be shifted from the active component to the Reserve. The last war's legacy may be the next war's necessity. Before 9/11 the Navy wanted to eliminate its USNR CB battalions as being a Cold War legacy. In Operation Iraqi Freedom, not only is the integrated Active and Reserve CB force national rebuilding, but is also involved in explosive disposal. In both the Army and the Marine Corps, artillery units are being retrained in civil affairs, but if military conflict breaks out in Korea, the units will be needed with their artillery.

Both the Pentagon and the Task Force on a Unified Security Budget for the United States have suggested cutting $62 billion from what has been labeled as Cold War weapons programs. While the Pentagon emphasizes the need to seek new technologies, the Task Force wants to use this "dividend" for homeland security, halt the spread of nuclear weapons.

The F–22 fighter, Joint Strike Fighter, the Virginia-class submarine, the DD(X) destroyer, the V–22 tilt-rotor aircraft and the C–130J cargo plane are just examples of new technology that has been labeled as legacy weapons. The key is that these weapons are needed to replace earlier aging weapons systems.

AGING EQUIPMENT

Crash Highlights An Aging Fleet.—A giant C–5A Air Force cargo plane that crashed and broke apart while making an emergency landing at Dover Air Force Base was part of an aging fleet whose future is being debated. The 21-year-old aircraft that crashed was one that's been modernized.

The U.S. Military has a number of aging air frames, besides the C–5A, the Air Force has the F–15 fighter. The Navy and the Marines are flying C–9 transports and H–46 helicopters. GAO Report 01–163 reported that tactical Aircraft modernization plans would not reduce the average age of these aircraft. Nearly 5 years of war have just added to the wear and fatigue.

Tactical Air

The rapidly aging F–15 Eagle first flew in the 1970s. In mock combat against MiG, Sukhoi and Mirage fighters, foreign air forces have scored unexpected successes against the Eagles. Modern, Russian-designed "double-digit" surface-to-air missile systems (SAMs) now available on the export market have also caught up to the F–15 in capability. New air dominance platforms are urgently needed. The F/A–22 Raptor and the Joint Strike F–35 fighters represent vital and complementary capabilities must be fully funded.

The recent Quadrennial Defense Review has cut the Air Force's planned F–22 buy in half—from 381 to 183 fighters. To compensate, the Air Force will be forced to extend the service lives of other fighters and depend more on advanced unmanned systems. Congress should reinstate full procurement of 381 fighters for a minimum deployment of one squadron for each of the service's 10 Air Expeditionary Forces.

Air National Guard needs E–8C, A–10, F–16 block 42 re-engining.

A4AD supports modernization of critical USMC aviation capabilities available through MV–22, JSF–STOVL, and HLR programs. The JSF development and support of constructive cost-control practices should be fully funded for both the Navy and Marine Corps.

The Navy and Marine Corps are also approaching aging aircraft in a different fashion. They are transferring tactical F–18 aircraft from the Reserve to the Active Component. This will leave Reserve Component units without hardware this will either reduce readiness of Reserve operational units, or cause units to be disbanded.

Airlift

Air Mobility Command assets fly 36,478 hours per month and participate in major operations including earthquake and hurricane relief, Operation Enduring Freedom, Operation Iraqi Freedom, Operation Noble Eagle, and SOUTHCOM. Their contributions in moving cargo and passengers are absolutely indispensable to American warfighters in the Global War on Terrorism. Both Air Force and Naval airframes and air crew are being stressed by these lift missions.

As the U.S. military continues to become more expeditionary, it will require more airlift. DOD should complete the planned buy of 180 C–17s, and add an additional 60 aircraft at a rate of 15 aircraft per year to account to ensure an adequate airlift force for the future and allow for attrition—C–17s are being worn out at a higher rate than anticipated in the Global War on Terrorism.

DOD should also continue with a joint multi-year procurement of C–130Js and press ahead with a C–5 Reliability Enhancement and Re-engining Program test to see where airlift funds may be best allocated.

The Navy and Marine Corps need C–40A replacements for the C–9B aircraft. The Navy requires Navy Unique Fleet Essential Airlift. The maximum range for the C–40A is approximately 1,500 miles more than the C–9 with a greater airlift capacity. The C–40A, a derivative of the 737–700C is a Federal Aviation Administration (FAA) certified, while the aging C–9 fleet is not compliant with either future global navigation requirements or noise abatement standards that restrict flights into European airfields. Twenty-two aircraft remain to be replaced.

Tankers

In need for air refueling is reconfirmed on a daily basis in worldwide DOD operations. A significant number of tankers are old and plagued with structural problems. The Air Force would like to retire as many as 131 of the Eisenhower-era KC–135E tankers by the end of the decade.

The controversy that surrounded the KC–767 tanker-lease proposal has delayed acquisition of a new tanker. DOD and Congress must work together to replacement of these aircraft. A replacement could come in the form of a hybrid tanker/airlifter aircraft, which when produced could "swing" from one mission to the other as required. Congress should also look at re-engining a portion of the KC–135 fleet as a short-term fix until newer platforms come online.

Procurement F–22, F–35, MV–22A, C40A and a replacement for the KC–135 needs to be accelerated and modernized, and mobility requirements need to be reported upon.

Navy Fleet Size

The number of ships in the fleet is dropping to 281 ships. The Chief of Naval Operations, Admiral Mike Mullen, has set the target for the new fleet at 313 ships.

The Administration procurement rate has been too low.

A4AD favors a fleet no smaller than 313 ships because of an added flexibility to respond to emerging threats. Congress should explore options to current methods

of ship design, configuration, and shipbuilding that have created billion dollar destroyers.

OTHER ISSUES

Increasing End Strength

Op tempo and deployment rotation will begin to wear. The official position of rotation of 1 year deployed for 3 years duty for active duty and 1 year in 6 for the Guard and Reserve are targets, but not yet reality. Increases are needed in the active component to reduce the building stress, and to reduce the need for Guard and Reserve call-up. Any unfunded end-strength increases would put readiness at risk.

The A4AD supports funding increases in support of the end strength boosts of the Active Duty Component of the Army and Marine Corps that have been recommended by Defense authorizers.

A4AD also hopes that this subcommittee would include language reminding the Department of Defense that once appropriated that each service should proactively recruit to try to attain these numbers.

Now is not the time to be cutting the Guard and Reserve. Incentives should be utilized to attract prior service members into a growing Reserve. Additionally, a moratorium on changes to end strength of the Guard and Reserve should be put into place until Commission on the Guard and Reserve can report back to Congress with recommendations.

The A4AD would like to also put a freeze on reductions to the Guard and Reserve manning level, holding to the fiscal year 2006 levels.

Regeneration/Resetting of Equipment

A4AD would like to thank this committee for the regeneration money that was included in the supplemental.

Aging equipment, high usage rates, austere conditions in Iraq, and combat losses are affecting future readiness. Equipment is being used at 5 to 10 times the programmed rate.

Additionally, to provide the best protection possible for soldiers and marines in the combat theater, many units have left their equipment behind for follow-on units, and are returning with no equipment. Without equipment on which to train after de-mobilization, readiness will become an issue.

The Army, Army Reserve, Army National Guard, Marines and Marine Forces Reserve need continued funding by Congress for equipment replacement.

Counter-measures to Improvised Explosive Devices

A4AD would like to commend the committee for supporting enhanced countermeasures for air and ground troops now deployed. For ground troops, the biggest threat to safety continues to be the improvised explosive device or IED.

Cost effective solutions that can provide an enhanced degree of safety do exist, however, in the form of electronic countermeasures. These devices work in one of two ways: either by pre-detonating an IED or by preventing the detonation through jamming of the signal. Officers returning from the field indicate the better choice is pre-detonation. Insurgents seem to be able to adapt to jamming technologies.

Also, insurgents can overcome armored protection by increasing the explosive payload. With the right technology, it could be possible to detonate these weapons in the workshops.

We encourage the committee to look at specifying additional funds for the purpose of researching, purchasing and deploying more electronic countermeasures for ground troops. In this way we can provide a greater degree of safety to all of the troops facing the IED threat, no matter what type of vehicle they may be operating.

Continued emphasis is needed for the procurement of sufficient quantities of electronic countermeasures to protect personnel deployed in the battle space.

Aircraft Survivability Equipment

Air crews face non-traditional threats used by non-conventional forces and deserve the best available warning and countermeasure equipment available to provide the greatest degree of safety possible. The majority of funds have been expended on fixed aircraft protection; approximately 75 percent of U.S. air losses have been rotary wing.

A4AD hopes that the committee will continue to support the purchase and deployment of warning and countermeasures systems with an emphasis on rotary wing aircraft across all of the services and insure that the latest and most advanced versions of these protections are made available to all units now deployed or slated for deployment in the future—be they Active Duty, Guard or Reserve.

Maintaining the National Guard and Reserve Equipment List

A single equipment appropriation for each service would not guarantee that the National Guard and Reserve Components would get any new equipment. The National Guard and Reserve Equipment Account (NGREA) is vital to ensuring that the Guard and Reserve has some funding to procure essential equipment that has not been funded by the services. Without congressional oversight, dollars intended for Guard and Reserve equipment might be redirected to Active Duty non-funded requirements. This will lead to decreased readiness.

This move is reminiscent of the attempt by DOD to consolidate all pay and O&M accounts into one appropriation per service. Any action by the Pentagon to circumvent congressional oversight should be resisted.

A4AD asks this committee to continue to provide appropriations against unfunded National Guard and Reserve equipment requirements. To appropriate funds to Guard and Reserve equipment would help emphasize that the Active Duty is exploring dead-ends by suggesting the transfer of Reserve equipment away from the Reservists.

Unfunded Equipment Requirements. (The services are not listed in priority order.)

[In millions of dollars]

Agency	Amount
Air Force:	
F/A–22 and F/35 Joint Strike Fighter	.....
Accelerate C–17 and C–130J procurement	.....
Update Tanker Fleet	.....
E–10 multi-sensor Command and Control Aircraft	.....
Space Radar & Transformational Satellite (TSAT) system	.....
Air Force Reserve:	
C–5A ADS	11.8
LAIRCM (Large Aircraft I/R Counter Measures)	228.5
F–16 ALR–69A	18.8
C–130 APN–241 Radar	21.0
MC–130E CARA/ETCAS	14.6
Air Guard:	
Helmet Mounted Cueing System (HMCS)	270.8
A–10 SATCOM Radio	6.3
KC–135 Night Vision Compatibility Lighting	47.5
C–130, C–5, C–17 LAIRCM/C–5 ADS	656
F–16, A–10, C–130, C–5 Simulators	.....
Army:	
M88 Improved Recovery Vehicles	331.9
C–47 Chinook Helicopters	331.5
UH–60 Blackhawk replacement Helicopters	71
Army Reserve:	
Light Medium Tactical Vehicles [LMTV]	306
Medium Tractors	304
Night Vision systems	.....
Chemical/Bio/Radiological detection/alarm systems	.8
Medical Equipment	3
Army Guard:	
High Mobility Multi-Purpose Wheeled Vehicle (HMHWV)	3,285
Family of Medium Tactical Vehicles	4,582
Single Channel Ground Air Radio Sys (SINCGARS replaces VRC–12)	222
Small Arms	96
Night Vision (AN/PVS–14/PAS–13)	1,439
Marine Corps:	
V–22 Osprey Aircraft in fiscal year 2007 (2)	154
(APN) KC–130J Aircraft Procurement (8)	678.7
(PMC) High Mobility Artillery Rocket System (HIMARS)	170.7
(PMC) M777A1 Lightweight 155MM Howitzer (LW 155) Program	12.4
Reserve Marine Corps:	
(OMMCR)—Infantry Combat Equipment (ICE)—Reserves	11.7
Field Medical Equipment (FFME)	3.5
Shelter and Tents (Command Post Large Tactical Shelter)	2.2
Shelters and Tents (Ultra Lightweight Camouflage Net System	5.3
Individual First Aid Kit (IFAK)	3.5
Infantry Combat Equipment (ICE)	11.7

[In millions of dollars]

Agency	Amount
Portable Tent Lighting	3.5
Navy:	
Improvised Explosives Device Countermeasure	16.8
MH–60S/MH–60R procurement	140
Lease (3) commercial Scan Eagle (SHUAV) Systems	39.7
Expeditionary Riverine Funding	20
Accelerate (2) LCS	520
Naval Reserve:	
Naval Coastal Warfare Table of Allowance Equipment	24.3
Explosive Ordnance Disposal Table of Allowance Equipment	2.4
NCF Tactical Vehicles and Support Equipment	30.1
C–40 A Combo cargo/passenger Airlift	76

CONCLUSION

A4AD is a working group of military and veteran associations looking beyond personnel issues to the broader issues of National Defense.

Cuts in manpower and force structure, simultaneously in the Active and Reserve Component are concerns in that it can have a detrimental effect on surge and operational capability.

This testimony is an overview, and expanded data on information within this document can be provided upon request.

Thank you for your ongoing support of the Nation, the Armed Services, and the fine young men and women who defend our country. Please contact us with any questions.

Senator INOUYE. The next witness will be Lieutenant General Dennis McCarthy.

STATEMENT OF LIEUTENANT GENERAL DENNIS M. McCARTHY, UNITED STATES MARINE CORPS (RETIRED), EXECUTIVE DIRECTOR, RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES

General MCCARTHY. Senator Inouye, thank you very much. And to the chairman and the members of the subcommittee, I appreciate the opportunity to give a brief statement.

The magnificent contributions of over 500,000 members of the Reserve components have enabled our Nation to conduct the first extended war to be fought with an all volunteer force. When the concept of an all volunteer force was originated in the 1970s, it was considered primarily a peacetime solution. Most believed that an extended war would force the Nation to return to the draft. Instead, no draft has been necessary because the Reserve components have surged forward to augment and reinforce the Active component. In a very real sense, the Reserve components have saved the country from a draft.

The Reserve component that surged in the past 5 years was not formed after September 11. It was formed in the 1990s based on the investments made by the Congress and by the dedication of its leaders, both Active and Reserve. The condition of the Reserve today is different than it was 5 years ago. In some ways, it is better. Almost every leader is a combat-tested veteran, and experience and confidence abound.

In other ways, however, the condition is worse. Equipment has been destroyed, worn out, or left overseas. Financial resources are stressed. And although every defense leader has recognized the need to reset the force, my concern is that we are not putting suffi-

cient resources toward resetting the Reserve force. I see a number of ominous signs.

First, funding for Reserve training has been cut. Aviation units of several services are transferring aircraft from the Reserve component to the Active component, and decommissioning or putting into cadre status squadrons that flew just recently in combat. There is a widespread lack of equipment needed for homeland security and consequence management; primarily, engineering and vehicles. And there continues to be a serious lack of interoperable communications equipment.

The rationale for these conditions is that current operations must be funded first, and that maybe the Reserve should just take a few years off and rest up. I believe that approach is fatally flawed. The caliber of young men and women that we have today are not going to sit around empty training centers and twiddle their thumbs because they do not have the equipment or funds to train. If the country is not interested in funding them, they will find other things to do.

History teaches a valuable lesson. At the end of the Korean War, just about everybody in the Guard and Reserve was a combat veteran. And the units were probably at the high water mark of their combat capability. Ten or so years later, in the 1960s, those same units were in very poor shape. The country lacked confidence in them, called them "weekend warriors," and used the draft to fill out the Active force.

If we do not reset the Reserve force starting now, we will begin the trip down the same road. The next time the Nation needs its Guard and Reserve, whether at home or abroad, will they be the combat-capable citizen warriors of 2006, or will they be the next generation of weekend warriors? Put another way, will the Reserves be as ready for the next crisis as they were for this one? If they are not, is the Nation ready for a draft?

These are tough questions, and I understand the competing priorities. I thank you and the subcommittee for your willingness to take action on them. Thank you, sir.

Senator INOUYE. Thank you, General McCarthy. And I can assure you that my colleagues and I are very sensitive to the questions you just raised.

General MCCARTHY. Thank you, sir. We know you are.

[The statement follows:]

PREPARED STATEMENT OF DENNIS M. MCCARTHY

The Reserve Officers Association of the United States (ROA) is a professional association of commissioned and warrant officers of our Nation's seven uniformed services, and their spouses. ROA was founded in 1922 during the drawdown years following the end of World War I. It was formed as a permanent institution dedicated to National Defense, with a goal to teach America about the dangers of unpreparedness. When chartered by Congress in 1950, the act established the objective of ROA to: ". . . support and promote the development and execution of a military policy for the United States that will provide adequate National Security." The mission of ROA is to advocate strong Reserve Components and national security, and to support Reserve officers in their military and civilian lives.

The association's 75,000 members include Reserve and Guard soldiers, sailors, marines, airmen, and coast guardsmen who frequently serve on active duty to meet critical needs of the uniformed services and their families. ROA's membership also includes officers from the U.S. Public Health Service and the National Oceanic and Atmospheric Administration who often are first responders during national disas-

ters and help prepare for homeland security. ROA is represented in each State with 55 departments plus departments in Latin America, the District of Columbia, Europe, the Far East, and Puerto Rico. Each department has several chapters throughout the State. ROA has more than 450 chapters worldwide.

ROA is a member of The Military Coalition where it co-chairs the Tax and Social Security Committee. ROA is also a member of the National Military/Veterans Alliance. Overall, ROA works with 75 military, veterans and family support organizations.

ROA PRIORITIES

The Reserve Officers Association calendar year 2006 legislative priorities are:

—Full funding of equipment and training requirements for the National Guard and Reserves.

—Providing adequate resource and authorities to support the current recruiting and retention requirements of the National Guard and Reserves.

Issues To Help Fund, Equip, and Train

Fully fund Military Pay Appropriation to guarantee a minimum of 48 drills and 2 weeks training for each selected Reservist in every service.

Sustain authorization and appropriation to National Guard and Reserve Equipment Account (NGREA) to permit flexibility for Reserve Chiefs in support of mission and readiness needs.

Optimize funding for additional training, preparation and operational support.

Regenerate the Reserve Components (RC) with current field, combat, and communication compatible equipment.

Keep Active and Reserve personnel and Operation and Maintenance funding separate.

Equip Reserve Component members with equivalent personal protection as Active Component Forces.

Issues To Assist Recruiting and Retention

Support incentives for affiliation, reenlistment, retention and continuation in the RC. Allow RC bonus payments through 20 years of service.

Pay and Compensation

Differential pay for federal employees.

Professional pay for RC medical professionals.

Eliminate the one-thirtieth rule for Aviation Career Incentive Pay, Career Enlisted Flyers Incentive Pay, Diving Special Duty Pay, and Hazardous Duty Incentive Pay.

Education

Increase MGIB-Selected Reserve to 47 percent of MGIB-Active.

Health Care

Expand the 28 percent co-payment to TRICARE Reserve Select to unemployed and uninsured Ready Reservists.

Extend military coverage for restorative dental care for up to 180 days following deployment.

Spouse Support

Repeal the SBP-Dependency Indemnity Clause (DIC) offset.

ROA's goals come from our members as they identify problems or suggest improvements to the situations they encounter. Since we are not in the Department of Defense's chain of command we provide a source for candid discourse without fear of retaliation. ROA will continue to support the troops in the field in any way we can.

NATIONAL GUARD AND RESERVE EQUIPMENT AND PERSONNEL ACCOUNTS

Resetting the Force

Resetting or reconstitution of the force is the process to restore people, aircraft and equipment to a high state of readiness following a period of higher-than-normal, or surge, operations. The purpose of force reconstitution is to restore optimum combat power.

Operations Iraqi Freedom and Enduring Freedom are consuming the force's equipment. Wear and tear is at a rate many times higher then planned. Battle damage expends additional resources. Factors affecting equipment availability:

—*Equipment Left in Theater*.—Leaving equipment behind for follow is practical. Yet, it also affects the returning units from which the equipment was the original allowance. Future training is downgraded, directly affecting readiness.
—*Repair*.—Encompasses cost of parts, stand-down of assets while waiting for parts, scheduling backlogs for added contingency equipment into a normal repair cycle. This may require hiring additional personnel to reduce scheduling overloads.
—*Depot Level Maintenance*.—Factors in delayed scheduled maintenance resulting in aircraft and equipment being in violation of maintenance requirements during engagements.
—*Cannibalization*.—Can be commonplace as units strip essential parts and components from already "broken" equipment in order to spare parts. This practice can lead to equipment loss.
—*Replace*.—Loss of inventory that can't be salvaged and must be replaced must be considered as part of the reconstitution effort.

Personnel

Training.—When Reserve Component personnel participate in an operation they are focused on the needs of the particular mission, which may not include everything required to maintain qualification status in their military occupation specialty (MOS, AFSC, NEC).

There are many different aspects of training that are affected.
—Skills that must be refreshed for specialty.
—Training needed for upgrade but delayed.
—Ancillary training missed.
—Professional military education needed to stay competitive.
—Professional continuing education requirements for single-managed career fields and other certified or licensed specialties required annually.
—Graduate education in business related areas to address force transformation and induce officer retention.

Loss.—There are particular challenges that occur to the force when a loss occurs during a mobilization or operation and depending on the specialty this can be a particularly critical requirement that must be met.
—Recruiting may require particular attention to enticing certain specialties or skills to fill critical billets.
—Minimum levels of training (84 days basic, plus specialty training).
—Retraining may be required due to force leveling as emphasis is shifted within the service to meet emerging requirements.

End Strength

The ROA would like to also put a freeze on reductions to the Guard and Reserve manning levels. ROA urges this subcommittee to fund to last year's levels.

In a time of war and the highest OPTEMPO in recent history, it is wrong to make cuts to the end strength of the Reserve Components. The Commission on National Guard and Reserve will be examining Reserve Force Structure, and will make recommendations as to size in its report to the Congress in March 2007.

As Congress maintained the Army Guard strengths, it is essential that the end strength of the Army Reserve should not be cut either. We urge you to fund the USAR at 205,000.

To meet the challenge of changes in end strength, the AF Reserve Command has prioritized all of its unit and IMA personnel positions. Until recommendations are made by the Commission on the Guard and Reserve, end strength should not be changed.

The Navy's Reserve has been cut over 18 percent in the last 5 years and by half in the last 15 years. We need to pause to permit force planning and strategy to catch-up with budget reductions.

Readiness

Readiness is a product of many factors, including the quality of officers and enlisted, full staffing, extensive training and exercises, well-maintained weapons and authorized equipment, efficient procedures, and the capacity to operate at a fast tempo. The pace of wartime operations has a major impact on service members.

The Defense Department does not attempt to keep all active units at the C–1 level. The risk is without resetting the force returning Active and Reserve units will be C–4 or lower because of missing equipment, and without authorized equipment their training levels will deteriorate.

NONFUNDED ARMY RESERVE

Funding must be increased across the board for the Department of Defense. Shortfalls are especially glaring relative to the Army and the Army RC components of the Reserve and Guard. We urge substantial increases in funding for all these Army entities.

If the USAR is to be an operational force in a high OPTEMPO then an investment must be made. The AR will have a deficit of over $632 million for fiscal year 2007 in its Personnel ($446 million) and Operations and Maintenance ($186 million) accounts.

The AR is projecting a long-term shortfall of nearly 5,000 company grade officers, yet its budget for the Army Reserve Basic Officer Course, which trains both new officers entering the Army Reserve and the Army National Guard, is funded for about 850 of the 2,300 AR and ARNG officers programmed for attendance. Similar major shortfalls will occur in recruiting and retention incentives ($322 million), sustainment training ($41 million), tuition assistance ($20 million), and in a variety of programs related to recruiter support ($14 million), family ($9 million), marketing program ($11 million) and chaplain support ($8 million), and other areas as well.

New Usar Equipment Strategy—How It Works

The Army Reserve has developed a new strategy to make the most effective and efficient use of its equipment. The new strategy supports the Army Force Generation and the Army Reserve Expeditionary Force (AREF) management systems. It ensures the best available equipment is provided to Army Reserve soldiers where and when they need it, as they move through the pre-mobilization training phase of the AREF cycle toward mobilization and deployment.

Individual equipment, such as weapons and masks, will be maintained at unit stations, with enough of a unit's major items—trucks, forklifts, etc.—to allow for effective training and to support homeland defense requirements.

In the new model, units will be moved to the equipment located at the training sites, rather than moving equipment to the units. Creating centrally located equipment pools to support directed and focused training, will enable the Army Reserve to yield efficiencies in resourcing and maintaining its equipment.

ARMY RESERVE EQUIPMENT PRIORITIES

[In millions of dollars]

Equipment	Amount
Procurement of equipment to support modularity:	
Light-medium trucks (25 percent compatibility)	306
Medium tractors (50 percent compatibility)	305
Night vision systems	.....
Chemical/biological/radiological detection/alarm systems	8
Medical Equipment	3
Sustainment:	
Sustainment of depot maintenance levels	.....
Recapitalization of tactical truck inventory	.....
Army Reserve tactical maintenance contract labor to reduce mobilization and training equipment backlogs	.....

AIR FORCE RESERVE EQUIPMENT PRIORITIES

ROA continues to support military aircraft Multi-Year Procurement (MYP) for more C–17s and more C–130Js for USAF. The Air Force Reserve (AFR) is working to continue as an interoperable member of the Total Air Force to support mission requirements of the joint warfighter. To achieve interoperability in the future, the Air Force Reserve top five priorities for "Other Equipment" are:

C–5A Airlift Defensive System (ADS)—$11,800,000

Install ADS systems onto AFRC C–5As at Lackland and Wright-Patterson AFBs where current aircraft do not have defense systems against IR threats.

Large Aircraft Infrared Countermeasures (LAIRCM)—$228,500,000

Program of record for Mobility Air Forces (MAF) aircraft. The system increases crew-warning time, decreases false alarm rates and automatically counters advanced infrared missile systems. The missile warning subsystem will use multiple sensors to provide full spatial coverage for C–5B, C–17, C–130 H2/H3/J and HC–130s.

Advanced Threat Warning/Targeting System (ALR–69A–V) for F–16B30/32—$18,800,000

Program of record for MAF and Air Force Special Operations Forces. The world's first all-digital radar warning receiver (RWR), the ALR–69A(V) features capabilities previously unattainable in a tactical RWR: suppression of enemy air defenses, easy cross-platform integration, and enhanced spectral and spatial coverage for high-sensitivity detection in dense signal environments.

Low Power Color Radar (AN/APN–241) for C–130—$21,000,000

Program of record for C–130 Avionics Modernization Program. Radar capabilities include high-resolution ground mapping that enables accurate low-level navigation and precision aerial drops.

Enhanced Traffic Alert and Collision Avoidance System (ETCAS) for MC–130—$14,600,000

Install ETCAS (APN–241) all weather, color radar on MC–130s.

NAVY RESERVE EQUIPMENT PRIORITIES

Naval Coastal Warfare Table of Allowance Equipment—$24,300,000

Replacements of over-aged and unreliable tactical vehicles, CSCE and communications equipment are needed to improve operational support of Combatant Commanders.

Explosive Ordnance Disposal Table of Allowance Equipment—$2,400,000

Explosive Ordnance Disposal (EOD) Reserve personnel require dive and protective gear, up-armored vehicles, boats and communications gear to improve operational support of Combatant Commanders.

NCF Tactical Vehicles and Support Equipment—$30,100,000

Tactical vehicles, CESE and communications equipment are needed to improve operational support of Combatant Commanders.

C–40 A Combo cargo/passenger Airlift—$75,000,000

The Navy requires a Navy Unique Fleet Essential Airlift Replacement Aircraft. This aircraft was designated as the C–40A and will replace the aging C–9 fleet. The maximum range for the C–40A is approximately 1,500 miles more than the C–9.

The C–40A, a derivative of the 737–700C is a Federal Aviation Administration (FAA) certified, high performance, fixed wing aircraft that will accommodate 121 passengers, or eight pallets of cargo (40,000 lbs), or a combination configuration consisting of 3 pallets and 70 passengers. The Navy's aging C–9 fleet is not compliant with either future global navigation requirements or noise abatement standards that restrict flights into European airfields. Twenty-two aircraft remain to be replaced.

MARINE CORPS RESERVE EQUIPMENT PRIORITIES

[In millions of dollars]

Equipment	Amount
Field Medical Equipment (FFME)	3.5
Shelter and Tents (Command Post Large Tactical Shelter)	2.2
Shelters and Tents (Ultra Lightweight Camouflage Net System)	5.3
Individual First Aid Kit (IFAK)	3.5
Infantry Combat Equipment (ICE)	11.7
Portable Tent Lighting	3.5

NATIONAL GUARD AND RESERVE EQUIPMENT ALLOWANCE

Prior to 1997, the National Guard and Reserve Equipment Appropriation was a critical resource to ensure adequate funding for new equipment for the Reserve Components. The much-needed items not funded by the respective service budget were frequently purchased through this appropriation. In some cases it was used to bring unit equipment readiness to a needed state for mobilization.

With the war, the Reserve and Guard are faced with mounting challenges on how to replace worn out equipment, equipment lost due to combat operations, legacy equipment that is becoming irrelevant or obsolete, and in general replacing that which is gone or aging through normal wear and tear. In the past, the use of "cascading" equipment from the Active Component to the Reserve Component has been

a reliable source of serviceable equipment. However, with the changes in roles and missions that have placed a preponderance of combat support and combat service support in the reserve components, there has not been much left to cascade. Funding levels, rising costs, lack of replacement parts for older equipment, etc. has made it difficult for the Reserve Components to maintain their aging equipment, not to mention modernizing and recapitalizing to support a viable legacy force. The Reserve Components would benefit greatly from a National Military Resource Strategy that includes a National Guard and Reserve Equipment Appropriation.

To optimize the readiness of the Guard and Reserve it is also imperative to maintain separate Reserve funds from the Active duty.

Recruiting and Retention

The Reserve Officers Association would like to thank this committee for it support with funding recruiting and reenlistment bonuses for both the Active and Reserve.

Army Reserve

As combat operations in Iraq and Afghanistan become "stability" operations, it is expected that the Army Reserve and National Guard will make up 50 percent or more of the force. Both the Active Component and the Reserve Component will move to a rotational plan that will provide both predictability and stability for soldiers. Recruiting and retention bonuses are helping meet these requirements. The Army Reserve needs to fully fund their bonus program with $332 million and increase AGR recruiter positions with funding to $59.1 million.

Navy Reserve

In March, the Navy Reserve recruited 757 sailors, 87 percent of its goal. While the Navy's Reserve is downsizing to reach the new end-strengths set by Congress of 73,100 from 83,400. There still remains a need to recruit. The enlistment bonus program supports the Navy's emerging human capital strategy. It enables the Navy to enlist personnel with the right skill and education mix to meet the needs of the force.

Air Force Reserve

In a 10-year period the Air Force Reserve went from accessing 50,507 prior service members in 1992 to 14,950 in 2005. This has meant increased funding of $20.4 million for recruiting of non-prior service personnel to meet recruitment quotas.

It can take from 1 to 2 years before an individual can perform military duty somewhat independently. Each year for the past 5 years, AF Reserve has enhanced its advertising effort due to the need to compete in the demographic pool with the Active and National Guard recruiters. The recruiting competition will be stiffer and the advertising dollar will produce less results.

ROA recommends supporting bonus incentives and reverse cost avoidance reduction trends that cut the reserve personnel and technician accounts.

CIOR/CIOMR FUNDING REQUEST

The Interallied Confederation of Reserve Officers (CIOR) was founded in 1948, and its affiliate organization, The Interallied Confederation of Medical Reserve Officers (CIOMR) was founded in 1947. The organization is a nonpolitical, independent confederation of national reserve associations of the signatory countries of the North Atlantic Treaty (NATO). Presently there are 16 member delegations representing over 800,000 reserve officers.

CIOR is recognized as the representative of NATO's Reserve Forces, formalized in 1976. An International Staff Liaison Officer is designated and has, on behalf of the NATO Secretary General, responsibility for formal contacts between NATO and CIOR and for providing political advice. A Reserve Affairs Advisor has been appointed at Supreme Headquarters Allied Powers Europe (SHAPE). This officer's principle duties include liaison with CIOR for Allied Command Europe (ACE).

CIOR supports four programs to improve professional development and international understanding.

Military Competition.—The CIOR Military Competition is a strenuous 3 day contest on warfighting skills among Reserve Officers teams from member countries. These contests emphasize combined and joint military actions relevant to the multinational aspects of current and future Alliance operations.

Language Academy.—The two official languages of NATO are English and French. As a non-government body, operating on a limited budget, it is not in a position to afford the expense of providing simultaneous translation services. The Academy offers intensive courses in English and French at proficiency levels 1, 2 and 3 as specified by NATO Military Agency for Standardization. The Language Academy affords

national junior officer members the opportunity to become fluent in English as a second language.

Partnership for Peace (PfP).—Established by CIOR Executive Committee in 1994 with the focus of assisting NATO PfP nations with the development of reserve officer and enlisted organizations according to democratic principles. CIOR's PfP Committee, fully supports the development of civil-military relationships and respect for democratic ideals within PfP nations. CIOR PfP Committee also assists in the invitation process to participating countries in the Military Competition.

Young Reserve Officers Workshop.—The workshops are arranged annually by the NATO International Staff (IS). Selected issues are assigned to joint seminars through the CIOR Defense and Security Issues (SECDEF) Commission. Junior grade officers work in a joint seminar environment to analyze Reserve concerns relevant to NATO.

Dues do not cover the workshops and individual countries help fund the events. The Department of the Army as Executive Agent hasn't been funding these programs.

ROA LAW CENTER

It was suggested that ROA could incorporate some federal military offices, such as recruiting offices, into the newly remodeled ROA Minuteman Memorial building. ROA would be willing to work with this committee on any suggestion.

The Reserve Officers Association's recommendation would be to develop a Servicemembers Law Center, advising Active and Reserve servicemembers who have been subject to legal problems that occur during deployment.

A legal center would help encourage new members to join the Active, Guard and Reserve components by providing a non-affiliation service to educate prior service about USERRA and Servicemember Civil Relief Act (SCRA) protections, and other legal issues. It would help retention as a member of the staff could work with Active and Reserve Component members to counsel those who are preparing to deploy, deployed or recently deployed members facing legal problems.

The Legal Center could advise, refer by providing names of attorneys who work related legal issues and amicus curiae briefs, encourage law firms to represent service members, and educate and training lawyers, especially active and reserve judge advocates on servicemember protection cases. The center could also be a resource to Congress.

ROA would set-aside office spaces. ROA's Defense Education Fund would hire an initial staff of one lawyer, and one administrative law clerk to man the Servicemembers Law Center to counsel individuals and their legal representatives.

Anticipated startup cost, first year: $750,000.

CONCLUSION

DOD is in the middle of executing a war and operations in Iraq are directly associated with this effort. The impact of the war is affecting the very nature of the Guard and Reserve, not just the execution of roles and missions. Without adequate funding, the Guard and Reserve may be viewed as a source to provide fund to the Active Component. It makes sense to fully fund the most cost efficient components of the Total Force, its Reserve Components.

At a time of war, we are expending the smallest percentage of GDP in history on National Defense. Funding now reflects about 3.8 percent of GDP. ROA has a resolution urging that defense spending should be 5 percent to cover both the war and homeland security. While these are big dollars, the President and Congress must understand that this type of investment is what it will take to equip, train and maintain an all-volunteer force for adequate national security.

The Reserve Officers Association, again, would like to thank the subcommittee for the opportunity to present our testimony. We are looking forward to working with you, and supporting your efforts in any way that we can.

Senator INOUYE. Our next witness is Dr. Gene E. Feigel, President of the American Society of Mechanical Engineers. Welcome, doctor.

Dr. FEIGEL. Thank you.

STATEMENT OF GENE E. FEIGEL, Ph.D., PRESIDENT, AMERICAN SOCIETY OF MECHANICAL ENGINEERS (ASME)

Dr. FEIGEL. Good morning, Mr. Chairman. My name is Gene Feigel. I'm President of ASME, a 120,000 member professional or-

ganization focused on technical, educational, and research issues of importance to the engineering community.

Engineers are a major portion of this Nation's technology base, a base that is essential for our defense and our economic vitality. We appreciate the opportunity to present our views on the DOD's science and technology programs, the S&T programs, which include basic and applied research, and advanced technology development programs at DOD.

I want to specifically thank this subcommittee and especially you, Mr. Chairman, for the past and ongoing support you've shown for the defense S&T programs.

The President's fiscal year 2007 budget request for defense S&T is $11 billion, which is $2 billion less than the fiscal 2006 appropriated amount of $13 billion, representing a steep 16 percent reduction.

The 2001 Quadrennial Defense Review (QDR), the Defense Science Board, as well as senior Defense Department officials and commanders from the Air Force, Army, and Navy, have voiced strong support for the future allocation of at least 3 percent of the overall DOD budget for S&T programs. The fiscal 2007 request if implemented would represent a significantly reduced investment in defense S&T.

We strongly urge this subcommittee to consider additional resources to maintain at least stable funding in the S&T funding portion of the DOD budget. At a minimum, $13.2 billion, or approximately $2.1 billion above the President's request, is required to meet the 3 percent of total obligation authority guideline set in the 2001 QDR, and is also supported by many members of Congress.

We also urge this subcommittee to support the university research initiative by restoring funds for the program to the fiscal 2006 level of $272 million for the forthcoming budget. A recent study by the National Academy of Sciences entitled, "Rising Above the Gathering Storm; Energizing and Employing America for a Brighter Economic Future," evaluated the position of the United States in several critical measures of technology, education, innovation, and high-skilled workforce development. While the report indicated that the United States maintains a slight lead in research and discovery, the academy committee observed that it is, quotes, "deeply concerned that the scientific and technological building blocks critical to our economic leadership are eroding at a time when many other nations are gaining strength."

Proper attention should be given to the vital role that DOD S&T programs play in meeting this challenge. Study after study has linked over 50 percent of our economic growth over the past 50 years to technological innovation. The "Gathering Storm" report places special emphasis on information sciences and basic research conducted by the DOD, because of its large influence on technological innovation and workforce development.

The DOD funds 40 percent of all engineering research performed at our universities. The technological superiority of our young men and women in the services and in the campaigns waged in Afghanistan and Iraq is a direct result of investments made in S&T several decades ago.

Moreover, this research is truly dual-use. As well as directly being critical to national security, it is critical to educating new generations of scientists and engineers.

Thank you for the opportunity to present our views on this very important subject.

Senator INOUYE. Thank you very much, Dr. Feigel.

[The statement follows:]

PREPARED STATEMENT OF GENE E. FEIGEL, PH.D.

INTRODUCTION

Greetings Mr. Chairman, ranking member, and Members of the committee. My name is Gene Feigel and I am honored to be here as the President of the American Society of Mechanical Engineers (ASME) to share our perspectives on the fiscal year 2007 budget request for the Research, Development, Test and Evaluation (RDT&E) and the Science and Technology (S&T) portion of the Department of Defense budget request.

With 120,000 members, ASME is a worldwide engineering society focused on technical, educational and research issues. It conducts one of the world's largest technical publishing operations, holds approximately 30 technical conferences and 200 professional development courses each year, and sets many industry and manufacturing standards. This testimony represents the considered judgment of experts from universities, industry, and members from the engineering and scientific community who contribute their time and expertise to evaluate the budgets requests and legislative initiatives the DOD sends to Congress.

Our testimony addresses three (3) primary funding areas: overall Engineering (RDT&E); Science and Technology (S&T); and the University Research Initiative (URI). Our testimony also outlines the consequences of inadequate funding for defense research. These include a degraded competitive position in developing advanced military technology versus potential peer competitors, which could harm the United States' global economic and military leadership.

The fiscal year 2007 request, if implemented, would represent a significantly reduced investment in Defense S&T. We strongly urge this committee to consider additional resources to maintain stable funding in the S&T portion of the DOD budget. At a minimum, $13.2 billion, or about $2.1 billion above the President's request is required to meet the 3 percent of Total Obligational Authority (TOA) guideline set in the 2001 Quadrennial Defense Review and by Congress.

DOD REQUEST FOR RDT&E

The administration requested $73.156 billion for the Research, Development, Test and Evaluation (RDT&E) portion of the fiscal year 2007 DOD budget. These resources are used mostly for developing, demonstrating, and testing weapon systems, such as fighter aircraft, satellites, and warships. This amount represents growth from last year's appropriated amount of $71.046 billion of about 3.0 percent. Therefore, when adjusted for inflation, this represents a reduction of about 0.8 percent in real terms. Funds for Operational Test and Evaluation (OT&E) function remain low, where the proposed funding of $182 million is little more than half of the 2005 appropriated amount of $310 million. The OT&E organization and the testing it conducts was mandated by Congress, and is intended to insure that weapon systems are thoroughly tested so that they are effective and safe for our troops.

While this testimony focuses on the fiscal year 2007 budget, the task force notes that the last multi-year spending plan from 2006, as provided in the Future Years Defense Program (FYDP), generally shows reduced spending in RDT&E accounts over the next 5 years, with spending in fiscal year 2011 being just $59.7 billion, or a 18.4 percent reduction from current levels. This reduced spending in R&D is inconsistent with the goal of developing new systems with advanced capabilities that support military transformation.

DOD REQUEST FOR SCIENCE AND TECHNOLOGY

The fiscal year 2007 budget request for Defense Science and Technology (S&T) is $11.083 billion, which is $2.11 billion less than the fiscal year 2006 appropriated amount of $13.191 and represents a 16 percent reduction. The S&T portion of overall DOD spending of $439 billion would remain at 2.5 percent. The 2001 Quadrennial Defense Review (QDR), the Defense Science Board (DSB), as well as senior Defense Department officials and commanders from the Air Force, Army, and Navy

have voiced strong support for the future allocation of at least three (3) percent for S&T programs. Clearly, this budget request is inadequate to meet the country's need for robust S&T funding.

A relatively small fraction of the RDT&E budget is allocated for S&T programs. While the fiscal year 2007 S&T request represents only about 15 percent of the RDT&E total, these accounts support all of the new knowledge creation, invention and technology developments for the military. Funds for Basic Research (6.1), Applied Research (6.2), and Advanced Technology Development (6.3) and all categories are programmed for significant funding reductions.

Basic Research (6.1) accounts would decrease from $1.47 billion to $1.43 billion, a 2.7 percent decline. While basic research accounts comprise only a small percentage over all RDT&E funds, the programs that these accounts support are critically important to fundamental, scientific advances and for maintaining a highly skilled science and engineering workforce.

Basic research accounts are used mostly to support science and engineering research and graduate, technical education at universities in all 50 States. Almost all of the current high-technology weapon systems, from laser-guided, precision weapons, to the global positioning satellite (GPS) system, have their origin in fundamental discoveries generated in these basic research programs. Proper investments in basic research are needed now, so that the fundamental scientific results will be available to create innovative solutions for future defense challenges. In addition, many of the technical leaders in corporations and government laboratories that are developing current weapon systems, such as the F–22 and Joint Strike Fighter, were educated under basic research programs funded by DOD. Failure to invest sufficient resources in basic, defense-oriented research will reduce innovation and weaken the future scientific and engineering workforce. The Task Force recommends that Basic Research (6.1) be funded at a minimum level of $1.7 billion.

Applied Research (6.2) would be reduced from $5.17 billion to $4.48 billion, a 13 percent reduction. The programs supported by these accounts apply basic scientific knowledge, often phenomena discovered under the basic research programs, to important defense needs. Applied research programs may involve laboratory proof-of-concept and are generally conducted at universities, government laboratories, or by small businesses. Many of the successful demonstrations led to the creation of small companies, like the Small Business Innovative Research (SBIR) programs. Some devices created in these defense technology programs have dual use, such as GPS, and the commercial market far exceeds the defense market. However, without initial support by Defense Applied Research funds, many of these companies would not exist. Failure to properly invest in applied research would prevent stifle a key source of technological development and stunt the creation and growth of small entrepreneurial companies.

The largest reduction would occur in Advanced Technology Development (6.3), which would experience a 21.5 percent decline, from $6.603 billion to $5.183 billion. These resources support programs that ready technology to be transitioned into weapon systems. Without the real system level demonstrations funded by these accounts, companies are reluctant to incorporate new technologies into weapon systems programs.

The individual service's S&T accounts reflect the general trend of large reductions described above. However the largest reductions are in the Army's accounts, where Basic Research would be cut by 16.2 percent, Applied Research by 45.2 percent, and Advanced Technology Development by 48.0 percent. The only major S&T components with increases are "Defense-Wide" Basic Research (6.1) and Applied Research (6.2) where 9.1 percent and 6.5 percent increases are proposed respectively. We strongly support these increases, especially the 10.6 percent boost in the Defense Advanced Research Project Agency (DARPA) to $3.3 billion.

DOD REQUEST FOR THE UNIVERSITY RESEARCH INITIATIVE (URI)

The University Research Initiative (URI) supports graduate education in Mathematics, Science, and Engineering and would see a $23 million decrease from $272 million to $249 million in fiscal year 2007 next year, a 3.2 percent reduction. Sufficient funding for the URI is critical to educating the next generation of engineers and scientist for the defense industry. Since the URI programs were devolved, the services have not given a high priority to these programs. A lag in program funds will have a serious long-term negative consequence on our ability to develop a highly skilled scientific and engineering workforce to build weapons systems for years to come. While DOD has enormous current commitments, these pressing needs should not be allowed to squeeze out the small but very important investments re-

quired to create the next generation of highly skilled technical workers for the American defense industry. This would be shortsighted.

REDUCED S&T FUNDING THREATENS AMERICA'S NATIONAL SECURITY

Since World War II the United States has led the world in science, innovation, and defense technology. However, this lead is quickly eroding and within the next few years may be substantially reduced or may completely evaporate in some areas. A recent study performed by the National Academy of Sciences, entitled "Rising Above the Gathering Storm: Energy and Employing America for a Brighter Economic Future," evaluated the position of the United States in several critical measures of technology, education, innovation, and high skilled workforce development. While the report indicated that the U.S. maintains a slight lead in research and discovery, the committee states that it is "deeply concerned that the scientific and technological building blocks critical to our economic leadership are eroding at a time when many other nations are gaining strength." Proper attention should be given to the vital role that DOD S&T programs play in meeting this challenge.

S&T have played a historic role in creating an innovative economy and a highly skilled workforce. Study after study has linked over 50 percent of our economic growth over the past 50 years to technological innovation. The "Gathering Storm" report places a "special emphasis on information sciences and basic research" conducted by the DOD because of large influence on technological innovation and workforce development. The DOD, for example, funds 40 percent of all engineering research performed at our universities. U.S. economic leadership depends on the S&T programs that support the Nation's defense base, promote technological superiority in weapons systems, and educate new generations of sciences and engineers.

Prudent investments also directly affect U.S. national security. There is a general belief among defense strategist that the United States must have the industrial base to develop and produce the military systems required for national defense. Many Members of Congress also hold this view. A number of disconcerting trends, such as outsourcing of engineering activities and low participation of U.S. students in science and engineering, threaten to create a critical shortage of the native, skilled, scientific and engineering work force is required. Programs that boost the available number of highly educated workers who reside in the United States are important to stem our growing reliance on foreign nations, including potentially hostile ones, to fill the ranks of our defense industries and to ensure that we continue to produce the innovative, effective defense systems of the future.

RECOMMENDATIONS

In conclusion, we thank the subcommittee for its ongoing support of Defense S&T. This committee appreciates the difficult choices that Congress must make in this tight budgetary environment. We believe, however, that there are critical shortages in the DOD S&T areas, particularly in those that support in basic research and technical education that are critical to U.S. military and economic leadership.

The Task Force recommends the following:

—We urge this subcommittee to support an appropriation of $13.2 billion for S&T programs, which is 3 percent of the overall fiscal year 2007 DOD budget. This request is consistent with recommendations contained in the 2001 Quadrennial Defense Review and made by the Defense Science Board (DSB), as well as senior Defense Department officials and commanders from the Air Force, Army, and Navy, who have voiced support for the future allocation of 3 percent as a worthy benchmark for science and technology programs.

—We also recommend that the subcommittee support the University Research Initiative by restoring funds for the program to the fiscal year 2006 level of $272 million to the URI program for fiscal year 2007. A strong investment in advanced technical education will allow the Nation's armed services to draw from a large pool of highly-skilled, native-born workers for its science and engineering endeavors.

ASME International is a non-profit technical and educational organization with 125,000 members worldwide. The Society's members work in all sectors of the economy, including industry, academic, and government. This statement represents the views of the ASME Department of Defense Task Force of ASME's Technical Communities and is not necessarily a position of ASME as a whole.

Senator INOUYE. Our next witness is Command Chief Master Sergeant Mark H. Olanoff, United States Air Force, retired, representing the Armed Forces Top Enlisted Association.

STATEMENT OF COMMAND CHIEF MASTER SERGEANT MARK H. OLANOFF, UNITED STATES AIR FORCE (RETIRED), ON BEHALF OF THE ARMED FORCES TOP ENLISTED ASSOCIATION

Sergeant OLANOFF. Good morning, Senator Inouye.

Senator INOUYE. Good morning, sir.

Sergeant OLANOFF. It is nice to see you again. Thank you for everything that you've done for us in the past. And we know sometimes that we are preaching to the choir to you and Senator Stevens, because you've both done so much for us. I know time is short. There were comments earlier about the issues that we have to deal with—with the authorization committee, and we realize that, and you know that we brought up the issues here to you about the survivor benefits and the increases in retirement pay, the TRICARE problems, and those things.

But there is one thing from a standpoint of appropriations that I think that is interesting. I've put it in my full statement, but I want to read you a portion of what the Government Accountability Office (GAO) said about ways to increase collections for health care for DOD, which is very similar to what the Department of Veterans Affairs can do. GAO says that: "DOD's failure to effectively bill and collect from third-party insurers in effect reduces the amount third-party private sector insurance companies must pay out in benefits and unnecessarily add to DOD's increasing health care budget financed by taxpayers. While DOD has limited control over the burgeoning cost of providing health care benefits to DOD retirees and their dependents, and active duty dependents, DOD has an opportunity to offset the impact of its rising health care costs by collecting amounts due from its third-party collection program."

Now you know, Senator, that the Defense Department has proposed that military retirees pay more, and both the House and the Senate have rejected that. However, they haven't put the funding back into place, and it is about $735 million that needs to be funded.

But overall, there is an imbalance between the discretionary funding and the mandatory funding; the operational cost and the personnel cost. And many of us have come before you over the years here, many of the associations, to bring this up. And we realize that although the authorization committees have to do things, we bring these things to your attention because many of us get to come here, and unfortunately the Armed Services Committee hearings are very limited. So we ask you to fully fund health care, and to look at all these other programs that we talk about in our statements, although we realize that the authorization committees have to do some things.

The last issue I want to talk about is the Reserve component. You just heard a little bit of testimony about that. In the President's budget, he has asked to cut the Reserve components by 22,800 people, specifically the Army National Guard by 17,100. And as someone who's very familiar with the Guard and Reserve, I find it very unbelievable that the Secretary of Defense and others come before these committees and ask you, and explain to you that the Guard and Reserve need to do more, but now we want to propose cuts in their manning. It just doesn't make a whole lot of sense.

And as you know, the National Guard is going to be supporting a mission to go to the border. And although the Secretary of Defense testified to you last week and said that most of that is going to be done through annual training tours, that can only be sustained for a very limited period of time.

So I realize time is short, and I have provided detailed explanation in my written statement, and hopefully the subcommittee will do what they can this year to support the programs. Thank you, Senator Inouye.

Senator INOUYE. I can assure you that we will study your proposal very carefully, because we are concerned about the cutback.

Sergeant OLANOFF. Thank you, Senator Inouye.

[The statement follows:]

PREPARED STATEMENT OF MARK H. OLANOFF

AFTEA MISSION

The AFTEA mission is to advocate a strong national defense that will protect the security of the United States. We support a defense budget that will provide modern and sufficient equipment so that our military personnel can safely and effectively accomplish their mission.

We seek to educate the public and Members of Congress about the uniformed services and their most important asset, its people.

We promote improved quality-of-life and economic fairness that will support the well-being of the men and women of America's Uniformed Services and their families. We give voice to members' concerns about military pay, health care, pension and disability, survivor benefits, education, housing, child care, and other quality-of-life programs.

The Armed Forces Top Enlisted Association is a non-profit 501C(19) veteran's organization, representing the professional and personal interests of Active Duty and retired men and women of America's Uniformed Services, National Guard and Reserve. Members in AFTEA are Sergeant Majors, Master Chief Petty Officers, Master Gunnery Sergeants, and Chief Master Sergeants from all branches of the Uniformed Services: Army, Navy, Air Force, Marine Corp, and Coast Guard. We are unique in that each member must have either retired as or currently hold the grade of E–9.

Mr. Chairman and distinguished Members of the subcommittee: On behalf of our National President, Command Sergeant Major Albert G. Ybanez, USA (Ret), we are grateful to the subcommittee for this opportunity to express our views concerning the fiscal year 2007 Department of Defense budget as it relates to issues affecting the uniformed service community.

IMBALANCE BETWEEN OPERATIONAL AND PERSONNEL COSTS

Our National President recently said: "Faced with a budget that forced choices between costly weapons systems, first envisioned for war against the Soviets, and ground troops to fight wars like those in Afghanistan and Iraq, the Pentagon went for hardware. The 2007 budget gives hardware higher priority than men and women in uniform."

This budget proposes sharp increases in health care costs (enrollment fees, co-payments and deductibles) for the men and women of the armed services who served a career for their Nation, and are not yet eligible for TRICARE for Life (TFL). Further, this budget proposes increases in health care costs for those currently serving in reserve components. With the Nation at war, this is not the time to increase fees and co-payments for those who are currently serving and those who have served.

Over the past years, Congress has significantly improved pay for the men and women serving on Active Duty and in the Reserve Components. Also, Congress has improved benefits for those who have served, including significant progress in receipt of retired pay for those with service-connected disabilities, full commissary benefits for grey-area reserve retirees, and increased survivor benefits for widows and widowers of military retirees.

Yet, senior Defense Department officials have publicly stated in numerous newspaper "op-eds" and in testimony before committees of the Congress that these increased benefits are a "drain on the defense budget."

Pentagon officials told the Senate Armed Services Subcommittee on Personnel that ". . . a rich benefits package, coupled with expanded retiree coverage, has

thrust the Pentagon into the same financial predicament that is threatening the profitability of such major companies as General Motors Corp." Dr. William Winkenwerder Jr., Assistant Secretary of Defense for Health Affairs, told the subcommittee ". . . the facts show that our expansion of health benefits, such as those for our senior retirees, underlies the growth, and that growth could put today's operations and sustainability at risk." He went on to say ". . . caring for military retirees is the principle underlying factor of the rising costs."

DOD has also convinced the Joint Chiefs of Staff to endorse these fee increases, saying the budget savings are needed to help fund weapons and other needs. Only a few years ago, then chairman of the Joint Chiefs General Shelton told the Congress that the Nation had a moral obligation to those who served their Nation and are now retired.

So if the budget savings from these sharply higher costs to the men and women who served our Nation are needed to help fund weapons and other needs, let's take a look at DOD's track record of defense acquisitions according to the Government Accountability office (GAO).

According to the Government Accountability Office (GAO), GAO–06–391, Defense Acquisitions: Assessments of Selected Major Weapon Programs, dated March 31, 2006, "In the last 5 years, the Department of Defense has doubled its planned investments in new weapon systems from about $700 billion in 2001 to nearly $1.4 trillion in 2006". Further, GAO states "GAO's reviews over the past 30 years have found consistent problems with weapon acquisitions such as cost increases, schedule delays and performance shortfalls". GAO also states "DOD often exceeds development cost estimates by approximately 30 to 40 percent and experiences cuts in planned quantities, missed deadlines, and performance shortfalls. Such difficulties, absent definitive and effective reform outcomes, are likely to cause great turmoil in a budget environment in which there are growing fiscal imbalances as well as increasing conflict over increasingly limited resources".

On April 14, 2006 the GAO reported again, GAO–06–368, Defense Acquisitions: Major Weapon Systems Continue to Experience Cost and Schedule Problems under DOD's Revised Policy. GAO states "The Department of Defense (DOD) is planning to invest $1.3 trillion between 2005 and 2009 in researching, developing, and procuring major weapon systems. How DOD manages this investment has been a matter of congressional concern for years. Numerous programs have been marked by cost overruns, schedule delays, and reduced performance. Over the past 3 decades, DOD's acquisition environment has undergone many changes aimed at curbing cost, schedule, and other problems. In order to determine if the policy DOD put in place is achieving its intended goals, we assessed the outcomes of major weapons development programs initiated under the revised policy. Additionally, we assessed whether the policy's knowledge-based, evolutionary principles are being effectively implemented, and whether effective controls and specific criteria are in place and being used to make sound investment decisions. Changes made in DOD's acquisition policy over the past 5 years have not eliminated cost and schedule problems for major weapons development programs. Of the 23 major programs we assessed, 10 are already expecting development cost overruns greater than 30 percent or have delayed the delivery of initial operational capability to the warfighter by at least 1 year. The overall impact of these costly conditions is a reduction in the value of DOD's defense dollars and a lower return on investment. Poor execution of the revised acquisition policy is a major cause of DOD's continued problems. DOD frequently bypasses key steps of the knowledge-based process outlined in the policy, falls short of attaining key knowledge, and continues to pursue revolutionary—rather than evolutionary or incremental—advances in capability. Nearly 80 percent of the programs GAO reviewed did not fully follow the knowledge-based process to develop a sound business case before committing to system development. Most of the programs we reviewed started system development with immature technologies, and half of the programs that have held design reviews did so before achieving a high level of design maturity. These practices increase the likelihood that problems will be discovered late in development when they are more costly to address. Furthermore, DOD's continued pursuit of revolutionary leaps in capability also runs counter to the policy's guidance. DOD has not closed all of the gaps in the policy that GAO identified nearly 3 years ago, particularly with regard to adding controls and criteria. Effective controls require decision makers to measure progress against specific criteria and ensure that managers capture key knowledge before moving to the next acquisition phase. However, DOD's policy continues to allow managers to approach major investment decisions with many unknowns. Without effective controls that require program officials to satisfy specific criteria, it is difficult to hold decision makers or program managers accountable to cost and schedule targets. In this environment, decision-making transparency is crucial, but DOD is lacking in this area as well.

It appears to us that the country (and the tax payers) would be best served by the Defense Department "cleaning up" its acquisition policies and practices, and stop trying to balance their budget on the backs of the uniformed services men and women who serve and have served. A record budget that focuses more on modernization than people programs is forgetting that it is people who make the military run.

AFTEA was unable to find any GAO reports about planned investments in "people programs".

AFTEA recommends an oversight hearing to include a complete review of the issues of entitlement and discretionary spending for the Department of Defense.

DOD HEALTH CARE

Over the past few years, Congress has recognized the contributions of the men and women in the armed services who served a career for their Nation, and then retired. One important recognition is now referred to as TRICARE for Life (TFL).

Now, the administration has proposed sharp increases in enrollment fees, co-payments and deductibles for those who have retired and are not yet eligible for TFL, specifically those under the age of 65. We view the Defense Department's proposal as a "roll-back" in the health care benefit that career military men and women earned.

A great deal of the Pentagon's concern over rising health care costs involves the nearly $9 billion annual deposit to the Medicare-Eligible Retiree Health Care Fund that the administration wrongly counts against the defense budget.

Two years ago, when Defense leaders said the administration was making them take this deposit "out of hide" at the expense of other Defense programs, the Armed Services Committees acted to change the law to shift that deposit from the Defense budget to the U.S. Treasury budget. The clear intent was that TFL expenses were not to come at the expense of other readiness needs. Congress passed that provision as part of the fiscal year 2005 Defense Authorization Act (Public Law 108–375). Section 725 provided revised funding methodology for military retiree health care benefits. Section 1116 of title 10, United States Code was amended. Section 1116(a) states: "At the beginning of each fiscal year after September 30, 2005, the Secretary of Treasury shall promptly pay into the Fund from the General Treasury". Subsections (1) and (2) provide for how the amount is determined. This section deals with the accrual amount for military retiree health care for those using TRICARE for Life.

But the Office of Management and Budget has since worked against the clear letter of the law and has continued to charge the deposit against the defense budget. That's why the administration has wrongly forced the Joint Chiefs of Staff to choose between retiree health funding and weapons programs.

The fiscal year 2007 NDAA that was marked-up by the House Armed Services Committee includes a provision (section 589) to correct this error. Section 589(b) states "No funds authorized or appropriated to the Department of Defense may be used to fund, or otherwise provide for, the payments required by this section".

The President's budget request for the Office of Personnel Management (OPM) for fiscal year 2007 includes funding for the government's share of the cost of health insurance for annuitants, which includes retirees (Title 5, USC 8901, subsection 3A). This section also covers Members of Congress and the President. The funding requested for fiscal year 2007 is $8.78 billion.

AFTEA urges the subcommittee to:

—Fully fund DOD's health care account.

—Appropriate the costs for military health care similar to federal civilians and retirees enrolled in the Federal Employee Health Benefits Plan (FEHBP). Provide the accrual funding for TRICARE For Life and the deposit to the Medicare-Eligible Retiree Health Care Fund by the Treasury, and not the Department of Defense.

—Direct report language that specifically prohibits the Department of Defense from raising any TRICARE co-payments or enrollment fees to include TRICARE Prime, TRICARE Extra, TRICARE Standard, TRICARE for Life, TRICARE Reserve Select, TRICARE Dental and TRICARE Prescriptions in fiscal year 2007.

On February 20, 2004, the General Accounting Office (now Government Accountability Office), sent a report to the House Subcommittee on National Security, Emerging Threats and International Relations, Subject: Military Treatment Facilities: Improvements Needed to Increase DOD Third-Party Collections. On page 2 under "Results in Brief", GAO stated "Based on our previous audit work and our analysis or reports issued by military service auditors, conservatively, tens of millions of dollars are not being collected each year because key information required

to effectively bill and collect from third-party insurers is often not properly collected, recorded, or used by MTFs. DOD's failure to effectively bill and collect from third-party insurers, in effect, reduces the amount third-party private sector insurance companies must pay out in benefits and unnecessarily adds to DOD's increasing health care budget—financed by taxpayers. While DOD has limited control over the burgeoning cost of providing health care benefits to DOD retirees and their dependents and active duty dependents, DOD has an opportunity to offset the impact of its rising health care costs by collecting amounts due from its Third Party Collection Program."

AFTEA urges the subcommittee to:

—Direct DOD to improve its collection of third-party insurance as recommended by the GAO.

—Support the House Armed Services Committee version of the fiscal year 2007 NDAA that directs a complete study of DOD's Healthcare system.

CONCLUSION

AFTEA is very concerned about the imbalance between "operational" and "personnel" costs. We are also concerned that DOD has proposed shifting greater health care costs to beneficiaries to help fund weapons and other hardware needs.

Defense Department officials would have the public believe that the growth in personnel costs, particularly for health care and retiree and survivor entitlements, is impacting on the military funding needed to carry out the Nation's wartime mission. They have complained about the cost of TRICARE for Life, concurrent receipt, SBP, and argued that these and other recent improvements in military and retirement benefits are unwarranted and will somehow bankrupt the defense budget.

We believe that argument by the DOD to be false. Instead of balancing the budget on the backs of the men and women who serve and have served, our leaders should be honestly considering the requisite level of defense funding during this time of war. They must realize that defending the Nation costs money and the cost goes up with demand during wartime.

This is a Nation of enormous wealth and it has not been the American tradition since the Civil War to spend, in support of war, with the intensity of war itself. Health care and other personnel costs are an ongoing cost of war. The administration and Congress need to adequately fund the war in all its dimensions, and mobilize and unit the country for the effort, and share in the sacrifice. However we fight the war, and whatever combination of military and nonmilitary means we use to win it, the war effort depends on the ability of the country to muster the needed resources and political will to pay for it.

AFTEA is very grateful for this opportunity to testify before the Defense Appropriations Subcommittee and would like to thank Chairman Stevens and ranking member Inouye for their military service and many years of support to the defense of our country.

We look forward to supporting a fiscal year 2007 Defense Appropriations bill that will not increase DOD's bottom line with ill-timed increases for those beneficiaries who have made a significant contribution to our Nation.

Senator INOUYE. Our next witness is Colonel Steven Strobridge, United States Air Force, retired, co-chairman of the Military Coalition. Colonel, welcome, sir.

STATEMENT OF COLONEL STEVEN P. STROBRIDGE, UNITED STATES AIR FORCE (RETIRED), DIRECTOR, GOVERNMENT RELATIONS, THE MILITARY COALITION

Colonel STROBRIDGE. Thank you very much, Senator Inouye, for the opportunity to be here today.

The Military Coalition is concerned, like the previous witnesses have stated, that the defense budget is being squeezed significantly on a variety of fronts. We are particularly troubled that this is happening even as our military members and their families, who comprise less than 1 percent of Americans, are being asked to bear virtually 100 percent of the national burden of sacrifice in the global war on terror. Our forces are undermanned for the mission they are being asked to bear. We are having difficulty recruiting new servicemembers, and increasing numbers of today's forces are won-

dering whether the rewards inherent in a military career are worth the sacrifices.

These concerns are being compounded as some in government now seek to carve funds from programs that are essential to sustain our troops and families through their extended trials. Our fervent hope is that the subcommittee will not allow that to happen.

We urge full funding for the troop levels recommended earlier this month by the Armed Services Committee, an increase of 30,000 for the Army, 1,000 for the Marine Corps, and 17,000 for the Army National Guard. These are all above the amounts requested in the President's budget, and additional funding is essential to ensure that the Pentagon is not forced to absorb these added costs in an already constrained budget.

Ensuring full funding of the defense health program is another top priority. Both the House and the Senate Armed Services Committees have already categorically rejected Pentagon plans to double or triple military retiree health fees. The problem is that the President's budget already reduced the defense health program by $735 million in the expectation that these fees would dramatically reduce demand. And that is just not going to happen, and the $735 million needs to be restored, or military medicine is going to run out of money next summer.

The House Appropriations Committee did not restore the necessary funding, saying it would wait to see what the authorizers would do. That has now been decided. They are not going to allow the fees. So it falls on this subcommittee to protect the integrity of the defense health program, and hopefully restore that vital $735 million.

The coalition also asks the subcommittee to fund the full military pay raise proposed by the Armed Services Committee, including the additional targeted raises proposed for warrant officers and certain enlisted members. Family support funding is another vital area of interest. Military members will endure a lot in serving their country. Retention is a family issue. And military families are under a great deal of stress. Programs for Guard and Reserve families, most of whom do not live near military installations, are a continuing special priority.

As base realignment and closure (BRAC) and global re-basing begins, we will be relocating large numbers of families between installations. Funding simply has to be provided to ensure that support facilities at closing bases continue until the families are gone, and we must fund housing, schools, health care networks, and child care needs, among other things, so those facilities are fully ready at gaining installation before the incoming thousands of families arrive.

Finally, we've just seen reports that at least some services are dramatically curtailing funding for some on-base facilities, such as libraries, swimming pools, gymnasiums, and other base support facilities, in order to make up for operations and equipment shortfalls. We hope you will provide the operation and maintenance (O&M) funding as needed, and check into that so that these services do not have to further compound the already inordinate sacrifices the families are observing through these kinds of penny-wise and pound-foolish tradeoffs.

Thank you, Mr. Chairman, Senator Inouye, for this opportunity to provide the coalition's inputs.

Senator STEVENS [presiding]. Thank you for your testimony. Senator, do you have any questions?

[No response.]

Senator STEVENS. No. We appreciate, and we share your feelings.

[The statement follows:]

PREPARED STATEMENT OF STEVEN P. STROBRIDGE

Mr. Chairman and distinguished Members of the committee. On behalf of The Military Coalition, a consortium of nationally prominent uniformed services and veterans' organizations, we are grateful to the committee for this opportunity to express our views concerning issues affecting the uniformed services community. This testimony provides the collective views of the following military and veterans' organizations, which represent approximately 5.5 million current and former members of the seven uniformed services, plus their families and survivors.

—Air Force Association
—Air Force Sergeants Association
—Air Force Women Officers Associated
—American Logistics Association
—AMVETS (American Veterans)
—Army Aviation Association of America
—Association of Military Surgeons of the United States
—Association of the United States Army
—Chief Warrant Officer and Warrant Officer Association, U.S. Coast Guard
—Commissioned Officers Association of the U.S. Public Health Service, Inc.
—Enlisted Association of the National Guard of the United States
—Fleet Reserve Association
—Gold Star Wives of America, Inc.
—Jewish War Veterans of the United States of America
—Marine Corps League
—Marine Corps Reserve Association
—Military Chaplains Association of the United States of America
—Military Officers Association of America
—Military Order of the Purple Heart
—National Association for Uniformed Services
—National Guard Association of the United States
—National Military Family Association
—National Order of Battlefield Commissions
—Naval Enlisted Reserve Association
—Naval Reserve Association
—Non Commissioned Officers Association
—Reserve Enlisted Association
—Society of Medical Consultants to the Armed Forces
—The Retired Enlisted Association
—United Armed Forces Association
—United States Army Warrant Officers Association
—United States Coast Guard Chief Petty Officers Association
—Veterans of Foreign Wars of the United States
—Veterans' Widows International Network

The Military Coalition, Inc., does not receive any grants or contracts from the Federal Government.

Mr. Chairman, The Military Coalition (TMC) thanks you and the entire subcommittee for your continued, unwavering support of our active duty, Guard, Reserve, retired members, and veterans of the uniformed services, to include their families and survivors.

In testimony today, The Military Coalition offers its collective recommendations on what needs to be done to address these important issues and sustain long-term personnel readiness.

HEALTH CARE

Full Funding for the Defense Health Program.—The Defense Department, Congress and The Military Coalition all have reason to be concerned about the rising cost of military health care. But it is important to recognize that the bulk of the problem is a national one, not a military-specific one. It's also important, in these

times of focus on deficits, to keep in perspective the government's unique responsibility as the recruiter, retainer, employer, and custodian of a career military force that serves multiple decades under extraordinarily arduous conditions to protect and preserve our national welfare.

In this regard, the government's responsibility and obligations to its servicemembers go well beyond those of corporate employers. The Constitution itself puts the responsibility on the government to provide for the common defense, and on Congress to raise and maintain military forces. No corporate employer shares any such awesome responsibility and obligation, and there is no other employee population upon whom the entire Nation depends for its very freedom.

Congress has pursued its responsibilities with vigor on behalf of those who are sacrificing, have sacrificed, and will continue to sacrifice so much for the rest of America. Continuing those vigorous efforts will be essential in addressing the budget challenges of the years ahead.

The Military Coalition urges the subcommittee to ensure continued full funding for Defense Health Program needs.

Protecting Beneficiaries Against Cost-Shifting.—The administration is proposing a significant increase in fees paid by retired uniformed services beneficiaries under age 65, including doubling or tripling enrollment fees for TRICARE Prime and tripling or quadrupling fees for TRICARE Standard. In addition, the President's budget recommends a 67-percent increase in retail pharmacy fees for all Active Duty, Guard, Reserve, retired, and survivor beneficiaries.

Eroding benefits for career service can only undermine long-term retention/readiness. Today's troops are very conscious of Congress' actions toward those who preceded them in service. One reason Congress enacted TRICARE For Life is that the Joint Chiefs of Staff at that time said that inadequate retiree health care was affecting attitudes among active duty troops.

Reducing military retirement benefits would be penny-wise and pound-foolish when recruiting is already a problem and an overstressed force is at increasing retention risk.

The Coalition believes strongly that these proposed increases are disproportional, inequitable, inappropriate, and unwise.

The Coalition recommends against implementing any increases in health fees for uniformed services beneficiaries this year. The Coalition believes strongly that America can afford to and must pay for both weapons and military health care.

Unrealistic Budget Assumptions Will Leave TRICARE Underfunded.—The DOD budget proposal assumes the proposed fee increases and co-payment changes will save money by shifting 14 percent of pharmacy users away from retail outlets and causing hundreds of thousands of current beneficiaries to exit TRICARE by 2011. Thus, DOD has reduced the amount budgeted for health care on the assumption that it will be treating fewer beneficiaries.

Many Defense and Service analysts believe it is unrealistic to assume that this number of beneficiaries will leave TRICARE if such fees are introduced, largely because switching to civilian coverage usually would entail even larger fees for beneficiaries.

Because the assumed level of beneficiary flight is extremely unlikely to occur, the Department almost certainly will experience a substantial budget shortfall before the end of the year. This would then require supplemental funding, further benefit cutbacks, and even greater efforts to shift more costs to beneficiaries in future years.

Thus, the most likely result of this misguided cost-shifting proposal would be to disproportionately penalize retirees, undermine military health benefits, and further threaten future retention and readiness.

Alternative Options to Make TRICARE More Cost-Efficient.—The Coalition believes strongly that the Defense Department has not sufficiently investigated other options to make TRICARE more cost-efficient without shifting costs to beneficiaries. The Coalition has offered a long list of alternative cost-saving options, including:

—Eliminating DOD-unique administrative requirements that drive higher overhead fees.

—Changing the law to limit incentives private firms can offer employees to shift to TRICARE, or require such matching payments to TRICARE.

—Improving education on the advantages of using the mail-order pharmacy.

—Centralizing the military treatment facility pharmacy budget/funding process, with emphasis on accountability.

Pharmacy Copayment Changes.—The Coalition is concerned that, 5 years after pharmacy copayment levels were established, the Department is proposing a 67-percent increase in retail copayments. The rationale for the proposed increase is the rapid growth in retail pharmacy use since enactment of TRICARE For Life.

The Coalition believes strongly that uniformed services beneficiaries deserve more stability in their benefit levels, and that DOD has not performed due diligence in exploring other ways to reduce pharmacy costs without shifting such increased expense burdens to beneficiaries. Thus far, the Department has refused to negotiate with drug companies for discounts in the retail arena. Not enough has been done to educate beneficiaries and providers on the advantages of the mail-order program. The Department has failed to centralize purchasing and filling of prescriptions for high-cost drugs, as the Air Force has done successfully.

The Department has ignored what the Coalition believes would create the most powerful incentive for beneficiaries to shift from the more costly retail program to the mail order program—eliminating mail-order copays. The average drug purchased in the mail-order system saves the government $58 to $157 relative to providing the drug through the retail system. If all mail-order copayments would be eliminated, the savings would still be at least $50 per prescription. Elimination of mail-order copays would save the government $20 million for each 1 percent of prescriptions that migrate from the retail to the mail-order pharmacy system.

The Coalition recommends eliminating beneficiary copayments in the mail-order pharmacy system for generic and brand name medications to incentivize use of this lowest-cost venue and generate substantial cost savings.

ACTIVE FORCE ISSUES

The Coalition appreciates the subcommittee's many actions to help relieve the stress of repeated deployments—end strength increases, bonus improvements, family separation, and danger area pay increases, and more.

From the servicemembers' standpoint, the increased personnel tempo necessary to meet continued and sustained training and operational requirements has meant having to work progressively longer and harder every year. They are enduring longer duty days; increased family separations; cutbacks in installation services; less opportunity to use education benefits; and significant out-of-pocket expenses with each permanent change of station move.

Intensified and sustained operations in Iraq and Afghanistan are being met by servicemembers' patriotic dedication, but retention must be an increasing concern as 1 percent of Americans continue to bear virtually 100 percent of the burden of national sacrifice in the global war on terrorism. Service leaders may tout seemingly high retention figures, but the Coalition cannot reconcile this with the ever-increasing stresses on military families.

Military families have continued to demonstrate their exceptional support of servicemembers' long, recurring deployments; yet, many servicemembers and their families debate among themselves whether the rewards of a service career are sufficient to offset the attendant demands and sacrifices inherent in uniformed service. Unless they see some prospect of near-term respite, many of our excellent soldiers, sailors, airmen and marines will opt for civilian career choices, not because they don't love what they do, but because their families just can no longer take the stress. High retention simply cannot continue to co-exist with such levels of high operations tempo and family separations, despite the reluctance of some to see anything but rosy scenarios.

The Coalition views with alarm the Defense Department's determination to sacrifice troop levels to pay for weapons systems, with seemingly little regard for the impact these decisions will have on servicemembers and their future retention. The finest weapon systems in the world will be of little use if the services don't have enough high quality, well-trained people to operate, maintain and support them.

The Coalition believes the "weapons or people" debate is a patently false one—akin to forcing a choice between one's left and right arms.

Pay Raises.—Since 1999, when the cumulative gap between military and private sector pay raises reached 13.5 percent—resulting in predictable readiness crises—this subcommittee has provided funding for increased military raises—reducing the pay gap to 4.5 percent in 2006.

The subcommittee also has supported previous Department of Defense plans to fix problems within the basic pay table by authorizing special "targeted" adjustments for specific grade and longevity combinations in order to align career servicemembers' pay with private sector earnings of civilians with similar education and experience.

The Coalition believes it is essential to continue that progress as the global war on terror enters its sixth year.

The Military Coalition strongly recommends providing military pay raises that exceed the Employment Cost Index until such time as full military pay comparability has been restored. The Coalition further recommends targeted increases for selected

non-commissioned officers/petty officers and warrant officers as needed to attain the 70th-percentile comparability standard.

Maintain Well-funded Family Readiness, Support Structure, and Morale, Welfare and Recreation (MWR) Programs.—Today, two-thirds of active duty families and virtually all Guard and Reserve families live off military installations, and more than one-half of these servicemembers are married. A fully funded family readiness program to include financial education and benefit information has never been a more crucial component to the military mission and overall readiness than it is today, especially when military families are coping with the increased deployments and separation.

More needs to be done to "connect" servicemembers and their families with important resources. Military One Source has provided a great start to improve family readiness; however, a more aggressive outreach effort is needed to educate servicemembers and their families on the benefits and programs to which they are entitled. These outreach efforts need to address the unique needs of National Guard and Reserve families to include transitioning to and from active duty status. Traditional delivery systems of "build it and they will come" no longer serve the transforming military community of today that is increasingly non-installation based. More robust outreach delivery systems and programs are called for that can be accessed anywhere and anytime.

Because of multiple DOD modernization efforts (global rebasing, Army modularity, and BRAC initiatives) that are occurring simultaneously, TMC is concerned about the synchronization, pace of planning, implementation timetables, timing of budgets and resource allocations, and the evaluation of the rebasing and BRAC plans. TMC asks Congress to ensure necessary family support/quality of life program dollars are in line with the DOD/Military Services overseas rebasing and BRAC plans. Further, the Coalition urges Congress to insist that support services and infrastructure remain in place at both the closing and the gaining installations, throughout the transition period.

The Coalition appreciates the recent congressional enhancements in military childcare, family readiness, and supportive counseling programs to assist families in dealing with deployments and the return of servicemembers. Family support, Quality of Life, and MWR programs are especially critical to the readiness of our forces and the support of their families during periods of conflict and extended separations. In order for these programs to flourish, they require consistent sourcing, deliberate outreach, and must remain flexible to meet emerging challenges.

The Military Coalition urges Congress to maintain a well-funded family readiness and support structure to enhance family well-being and to improve retention and morale.

The Coalition also asks Congress to highlight and protect the interests of all beneficiaries impacted by overseas rebasing, Army modularity, and BRAC and ensure support services and infrastructure remain in place throughout the entire transition period for all beneficiary populations.

Personnel Strengths.—The Coalition has been disappointed at the Defense Department's annual resistance to Congress' repeated offers to permanently increase service end strength to relieve the stress on today's Armed Forces. While we are encouraged by the subcommittee's work to fund increased Army and Marine Corps end strength and much needed recruiting and retention bonuses; however, we are deeply concerned that administration-proposed plans rely too heavily on overly optimistic retention assumptions, overuse of the Guard and Reserves, optimistic scenarios in Southwest Asia, and the absence of new contingency needs.

The Department has indicated that it prefers to "transform" forces, placing non-mission essential resources in core war fighting skills, and transferring certain functions to civilians. However, any such implementation will take a long time while we continue to exhaust our downsized forces.

In addition, the Department is already cutting back even on those plans, proposing to reduce six Army National Guard brigades, reduce planned growth in the number of active duty brigades, continue systematic personnel reductions within the Navy, and impose further dramatic reductions in Air Force personnel. Media reports indicate that previous plans to civilianize military positions have been changed, and that substantial numbers of military positions now will simply be eliminated, without civilian replacements—imposing even greater stress on the remaining force.

Force reductions envisioned in the Quadrennial Defense Review are being undertaken not because of any reduction in mission, but simply to free up billions of dollars for weapons programs.

Defense leaders warn that the long-term mission against terrorism will require sustained, large deployments to Central Asia and elsewhere, but the Services are

being denied the manpower to meet those requirements without unacceptable impacts on members' and families' quality of life.

If the administration does not recognize when extra missions exceed the capacity to perform them, Congress must assume that obligation. Deferral of additional meaningful action to address this problem cannot continue without risking serious consequences.

The Military Coalition strongly urges funding to sustain end strengths to meet mission requirements, and opposition to force reductions that have the primary purpose of paying for other programs.

Dependent Education Needs.—Quality education is an instrumental retention tool for DOD—we recruit the member, but retain the family. However, many ongoing initiatives—housing privatization, Service transformation, overseas rebasing, and BRAC—will have a direct impact on the surrounding communities that provide educational programs for our military families. A positive step in the right direction is reflected by the subcommittee's efforts that provided increased Impact Aid funding for highly impacted school districts with significant military student enrollment.

The Coalition urges the subcommittee to continue its priority of providing additional funding to support schools educating military children.

GUARD AND RESERVE ISSUES

More than a half million members of the National Guard and Reserve have been mobilized since September 11, 2001, and many thousands more are in the activation pipeline. Today, they face the same challenges as their active counterparts, with a deployment pace greater than at any time since World War II.

Guard/Reserve operational tempo has placed enormous strains on Reservists, their family members, and their civilian employers that were never anticipated by the designers of Guard and Reserve personnel and compensation programs.

The Coalition fully supports the prominent role of the Guard and Reserve forces in the national security equation. However, many Guard and Reserve members are facing increased family stresses and financial burdens under the current policy of multiple extended activations over the course of a Reserve career. Many Reserve component leaders are rightly alarmed over likely manpower losses if action is not taken to relieve pressures on Guard and Reserve troops.

The Coalition believes it is essential to substantively address critical Guard and Reserve personnel, pay, and benefits issues—along with active duty manpower increases—to alleviate those pressures and help retain these qualified, trained professionals.

We believe that more must be done to ensure that Guard and Reserve members' and their families' readiness remains a viable part of our national security strategy. It is clear that our country is absolutely dependent on these valuable members of our national military team to meet ongoing readiness requirements.

Guard/Reserve Health Care.—The Military Coalition recognizes Congress' significant progress over the last 2 years in authorizing and funding "TRICARE Reserve Select" coverage for all drilling Guard and Reserve members. Nevertheless, the Coalition believes strongly that the program approved last year fall short of meeting the needs of these members and their families.

We believe the enrollment fees will prove cost-prohibitive for members who have not been mobilized since 9/11, and the high fees represent an ill-advised deterrent to members we need to retain in the Reserve components. Such fees are particularly unfair for members who do not have access to other health insurance coverage.

The Coalition strongly recommends funding to increase subsidy levels for TRICARE coverage for drilling Guard/Reserve members not yet mobilized and having one premium for all members of the Guard and Reserve who continue to be drilling members.

Guard and Reserve Family Support Programs.—The increase in Guard and Reserve operational tempo is taking a toll on the families of these servicemembers. These families are routinely called upon to make more and more sacrifices as the global war on terror continues. Reserve component families live in communities throughout the Nation, and most of these communities are not close to military installations. These families face unique challenges in the absence of mobilized members, since they don't have access to traditional family support services enjoyed by active duty members on military installations.

Providing a core set of family programs and benefits that meet the unique needs of these families is essential to meeting family readiness challenges. These programs would promote better communication with servicemembers, specialized support for geographically separated Guard and Reserve families, and training (and back-up) for family readiness volunteers. Such access would include:

—Web-based assistance programs such as Military OneSource and Guard Family.org;
—Expanded programs between military and community religious leaders to support servicemembers and families during all phases of deployments;
—Robust preventive counseling services for servicemembers and families and training so they know when to seek professional help related to their circumstances;
—Enhanced education for Guard and Reserve family members about their rights and benefits;
—Meeting needs for occasional child care, particularly for preventive respite care, volunteering, and family readiness group meetings and drill time;
—A joint family readiness program to facilitate understanding and sharing of information between all family members, no matter what the service.

TMC urges Congress to continue and expand its emphasis on providing consistent funding and increased outreach to connect Guard and Reserve families with these support programs.

OVERSEAS REBASING, BASE REALIGNMENT AND CLOSURE (BRAC) ISSUES

Thousands military members and families will be under great stress in the months and years ahead as a result of rebasing, closure, and transformation actions. But the impact extends beyond the active duty personnel currently assigned to the affected installations. The entire local community—school districts, chambers of commerce, Guard/Reserve, retirees, survivors, civil servants, and others—experiences the traumatic impact of a rebasing or closure action. Jobs are lost or transferred, installation support facilities are closed, and beneficiaries who relied on the base for support are forced to search elsewhere.

The Coalition urges the subcommittee to ensure rebasing plans are not executed without ensuring full support funding is available to families as long as they are present at losing installations and before they arrive at gaining installations. The critical family support/quality of life programs include MWR, childcare, exchanges and commissaries, housing, health care, education, family centers, and other traditional support programs.

The Coalition will actively be engaged in ensuring the implementations of the BRAC decisions, Service transformation initiatives, global repositioning, and Army modularity initiatives not only take each beneficiary community into consideration, but also to advocate for beneficiaries significantly impacted by these initiatives.

The Military Coalition urges the subcommittee to monitor the implementation of rebasing, BRAC, and Service Transformation initiatives to ensure protection of funding for support services for all military members and their families.

CONCLUSION

The Military Coalition reiterates its profound gratitude for the extraordinary progress this subcommittee has made in funding a wide range of personnel and health care initiatives for all uniformed services personnel and their families and survivors in recent years. The Coalition is eager to continue its work with the subcommittee in pursuit of the goals outlined in our testimony. Thank you very much for the opportunity to present the Coalition's views on these critically important topics.

Senator STEVENS. Our next witness is Dr. Edwin Thomas from the Institute for Soldier Nanotechnologies. Good morning.

STATEMENT OF DR. EDWIN THOMAS, PROFESSOR, FOUNDING DIRECTOR, INSTITUTE FOR SOLDIER NANOTECHNOLOGIES, MASSACHUSETTS INSTITUTE OF TECHNOLOGY (MIT)

Dr. THOMAS. Good morning, Chairman Stevens, Senator Inouye. I'm a professor at MIT, and it is a great honor to be able to testify before this subcommittee. I have written testimony, and I have some Powerpoints, and I do not know if you can find them. I might take you through them. My testimony is somewhat visual, but perhaps I can do it with words, as well.

Key thing here is that 4 years ago, the Army decided to put together a competition for a university affiliated research center that would focus on soldier protection using nanotechnology. About 50

schools competed, and this university affiliated research center was placed at MIT in 2002.

Well, nanotechnology is certainly in the news these days, and the notion here is to try to use nano approaches for soldier protection. Of course, a millennia-old problem of how to protect soldiers.

One of the sort of visions of the Institute for Soldier Nanotechnology (ISN) is to look at a typical paratrooper, who is carrying 120 pounds, a very bulky, heavy, good equipment but very burdensome. And these young men and women that we send into battle are not as well protected as one would hope, and they are burdened with heavy amounts of weight. So the notion and the vision of the ISN is to really use nanotechnology to dramatically decrease the weight and the volume that the warfighters need. So it is basic 6.1 research. It is nonclassified on-campus research.

Our vision is something called a dynamic battle suit. And if I might, when you get in your vehicle in the morning, you do not ask yourself the question whether or not you take your airbag. It is always there. And if you are in an accident, you do not reach over and say, "Ah, time to activate the airbag." The airbag system is all autonomous. It senses a threat, and it deploys to mitigate that threat.

Our notion for soldiers is in fact a dynamic battle suit that would have attributes of, kind of, airbags, except these would be defense mechanisms that would sense bio and chemical threats. They would sense ballistic and blast threats, and they would then act quickly, using nanotechnologies to mitigate those threats, and protect the soldier.

Let me take you through three kinds of examples of things we've been working on. Some are further off in the future, and some are in fact in Iraq right now. The first one is on situational awareness. We envision fibers that can actually see color and hear. So part of the fabric of the soldier's battle suit of the future would have these fibers that would have the ability to detect whether a soldier was being lazed, and by what wavelength the laser was. So in a sense, they could see in color, 360 degrees. This could be terrific, for example, avoiding fratricide, identification of friend or foe.

Another technology that we are working on is body armor. As you know, the interceptor body armor right now has been improved. I guess if you're not wearing it, it is improved. If you're wearing it, it went from 16 pounds to 31 pounds, and so we are asking our men and women to carry 31½ pounds of Kevlar and ceramic, not including the batteries and the bullets and the water, and all the rest of the kit that they have to carry. So a clear need that nano may be able to do something about is improved body armor.

And finally, an area that is something that is actually molecules, I'm proud to say, that are made in Cambridge, Massachusetts, are working to protect men and women in Iraq. These are molecules that can detect TNT, which is the main component in the IED threats. Working with an industrial partner called Nomadics, a sensor has been developed. The sensor works in the hands of an 18-year-old when it is hot and muddy and wet. It will actually work underwater. It will work in diesel fuel. It is being mounted and incorporated onto robots. They've been putting these at check-

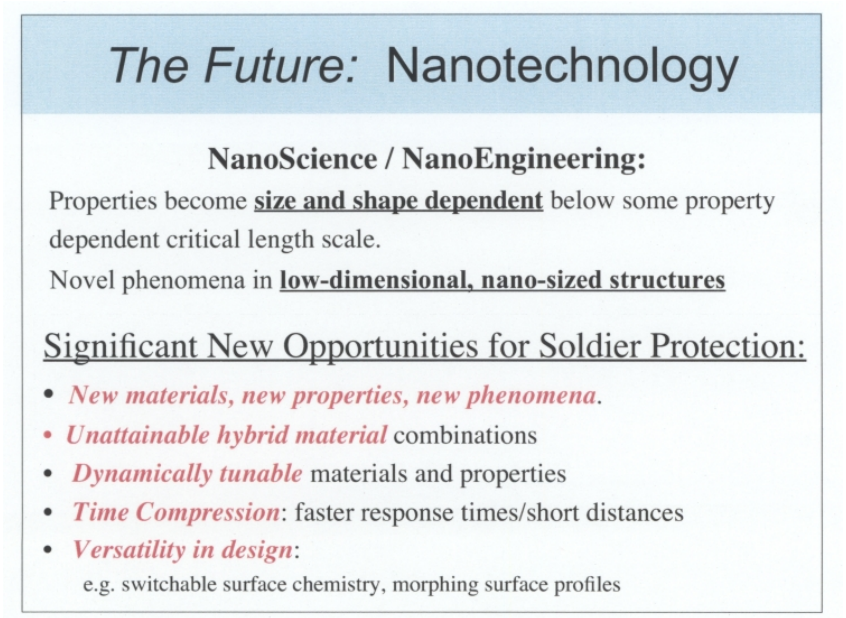
points, and instead of having a soldier go up with a handheld device to be able to check for TNT in a vehicle or on a person, they are actually able to send a robot up and thus get standoff, and save lives.

Thank you.

[The statement follows:]

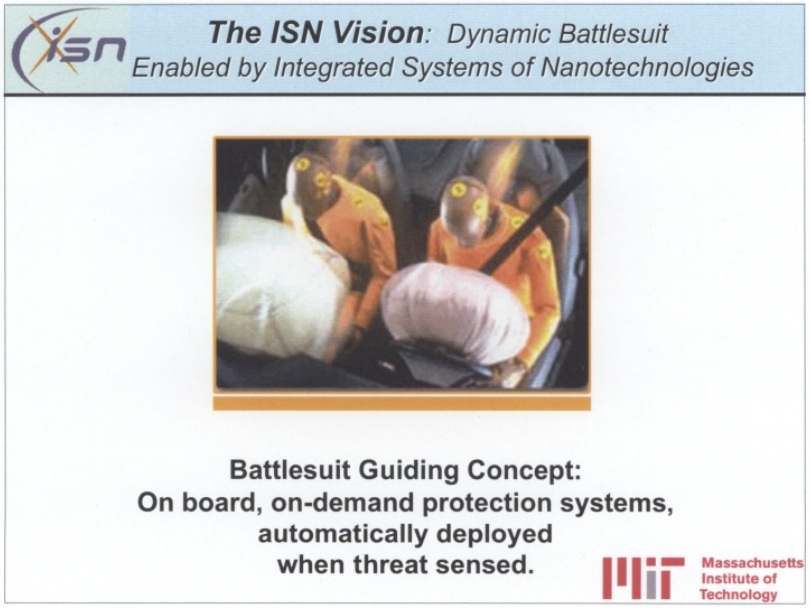
PREPARED STATEMENT OF EDWIN L. THOMAS

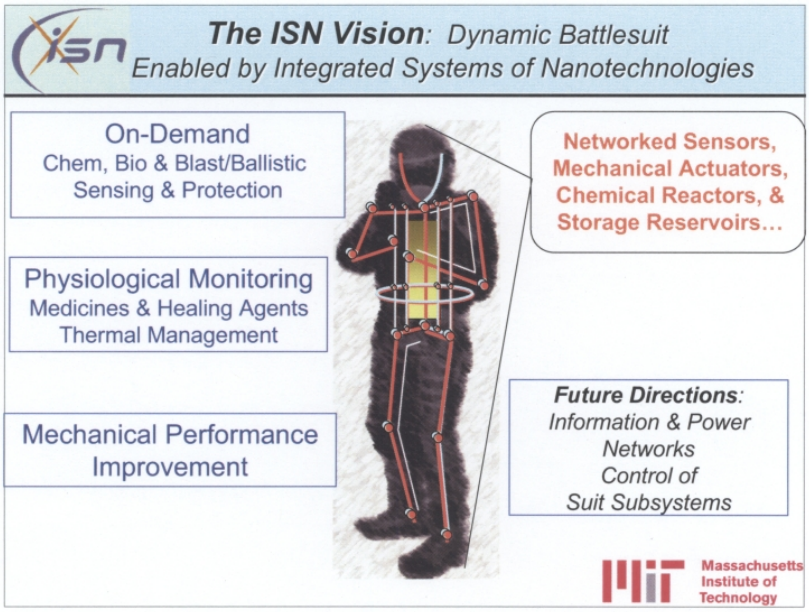
The Institute for Soldier Nanotechnologies (ISN) is dedicated to the development of nano-enabled technologies to protect dismounted soldiers. Nanotechnological research approaches have not previously been significantly applied to soldier protection, thus presenting many opportunities for revolutionary advances in soldier survivability. Nanoscience and nanoengineering will lead to the development of new materials and properties unattainable with conventional materials. Nano allows minaturization and increased response speed for devices, key attributes for dramatic improvements of the soldier's kit.



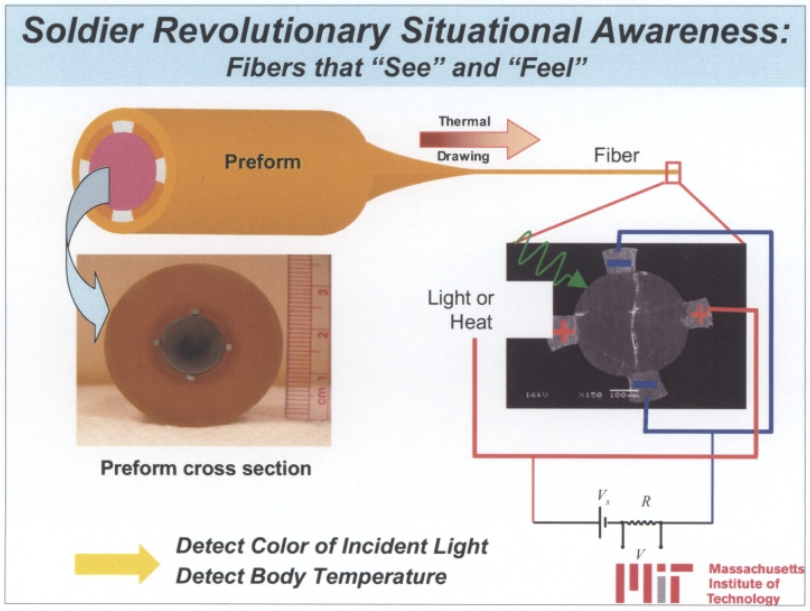
The ISN mission is to increase capabilities while simultaneously decreasing the weight soldiers must carry. Present day soldiers, like the young paratrooper from northern Iraq, often carry in excess of 120 pounds of equipment, which reduces their effectiveness and survivability in the field. The ISN is an on-campus basic, 6.1 research center (a University Affiliated Research Center (UARC)) started in 2002. The ISN vision is to design from the ground up, a new battlesuit with a number of integrated systems that sense for threats and automatically activate protection-on-demand, much in the same way as airbags deploy in automobiles. The future battlesuit will include sensing subsystems to detect chemical and biological threats as well as perform physiological monitoring. It will further provide mechanical performance enhancements, integrated power, and informational systems. Blast and ballistic protection are of key importance. Novel lightweight materials that can adapt and transform their properties are essential enabling components. Nanotechnology will help us to realize new properties and attributes and to integrate these many functions into the uniform. One materials platform we envision is the fabric of the uniform itself wherein a diversity of functional nanostructured fibers, will be developed which provide massive new capabilities to the soldier with an insignificant increase in weight and no loss of mobility. The ISN has over 30 ac-

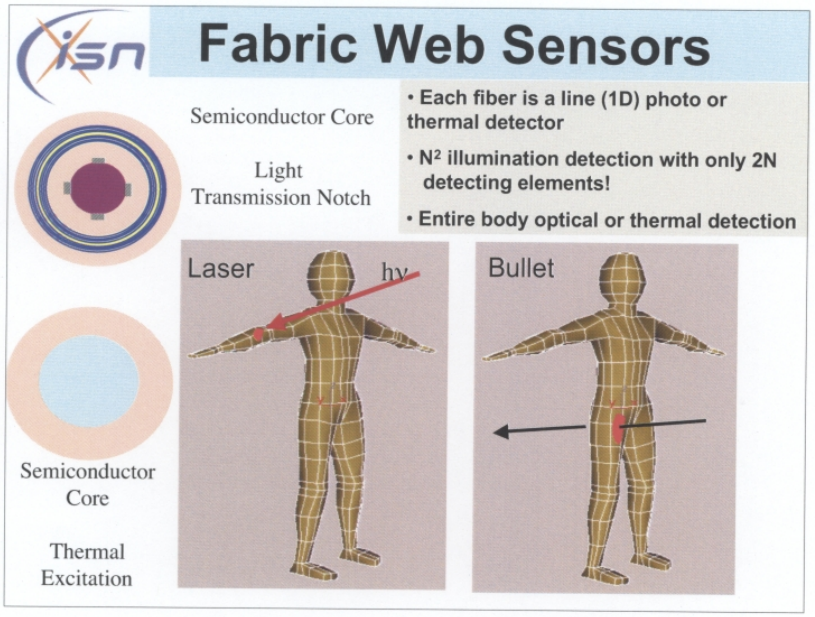
tive research projects, but today I will focus on three examples of new nanotech systems for enhanced situational awareness, flexible body armor and IED detection.





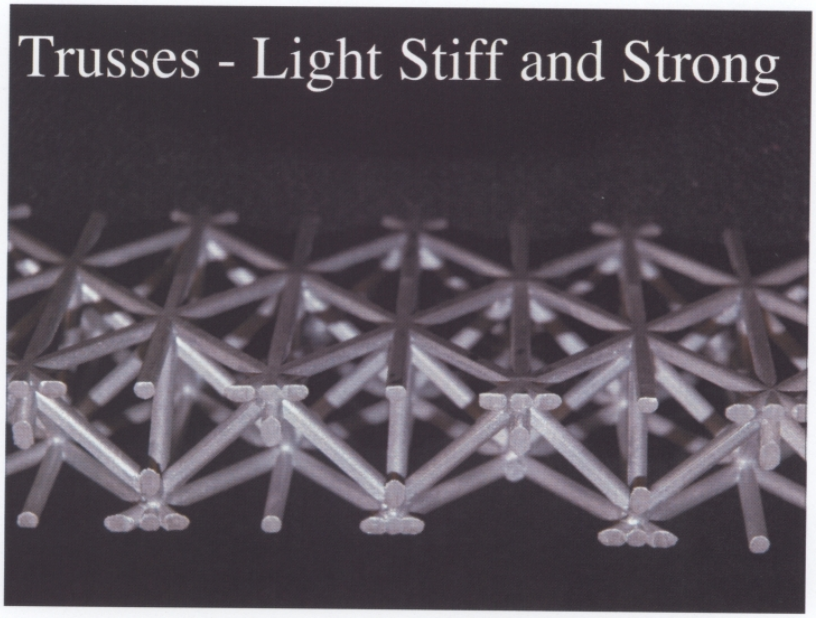
New nanostructured fibers have been developed to detect specific wavelengths of light from targeting lasers or to detect a local change in surface temperature, for example, from a wound. These fibers are comprised of semiconductors, metals and polymers and are produced by a drawing process. When illuminated with light, electrical currents are generated between the electrodes or if a fiber is exposed to a higher/lower temperature, the electrical current is altered. Thus, these fibers can "see" and "feel". We are currently working on additional fibers with piezoelectric materials inside, so that the future battlesuit can also "hear."

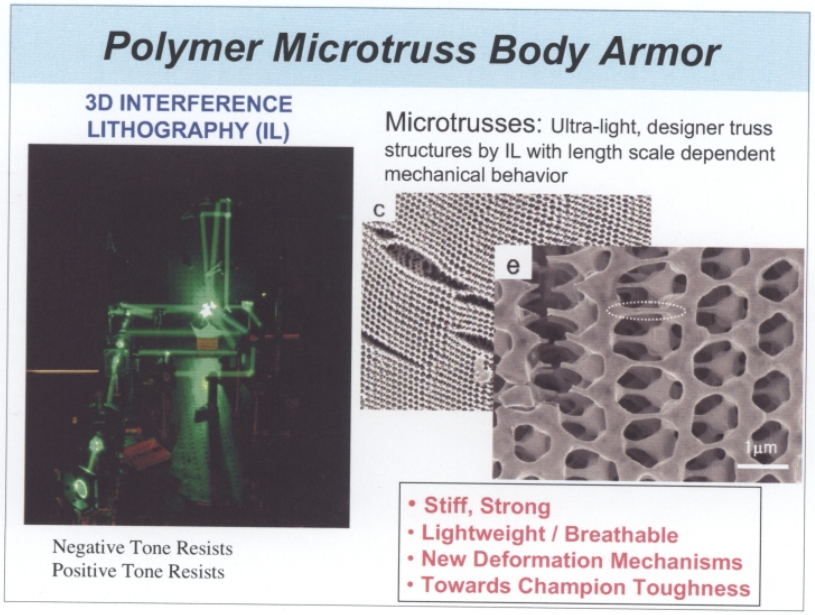




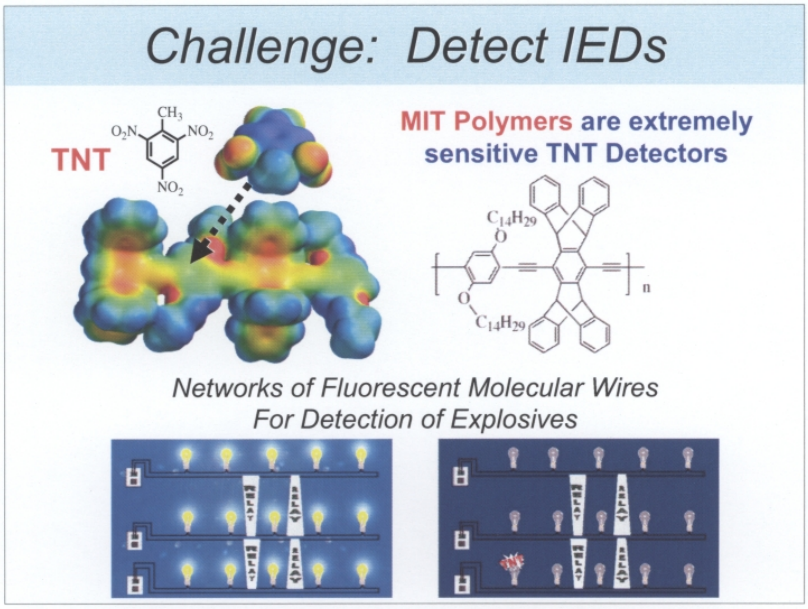
A huge need is to provide future soldiers with lightweight, flexible body armor that not only protects from ballistic threats (bullets, shrapnel etc.) but also protects from blast pressure waves. Current body armor weights 15 lbs. and the new add-on body armor pushes the weight up to 31.5 lbs. Engineers create lightweight, stiff and strong structures—such as cellphone towers using truss designs. Our idea is to extend this concept down to the nanometer regime using photolithography to sculpt polymers into ultralight, breatheable microtrusses for unprecedented soldier protec-

tion. Interestingly, the "nano" sized nature of the struts in the truss structure imparts exciting new toughed mechanical behavior, highly promising for soldier protection.



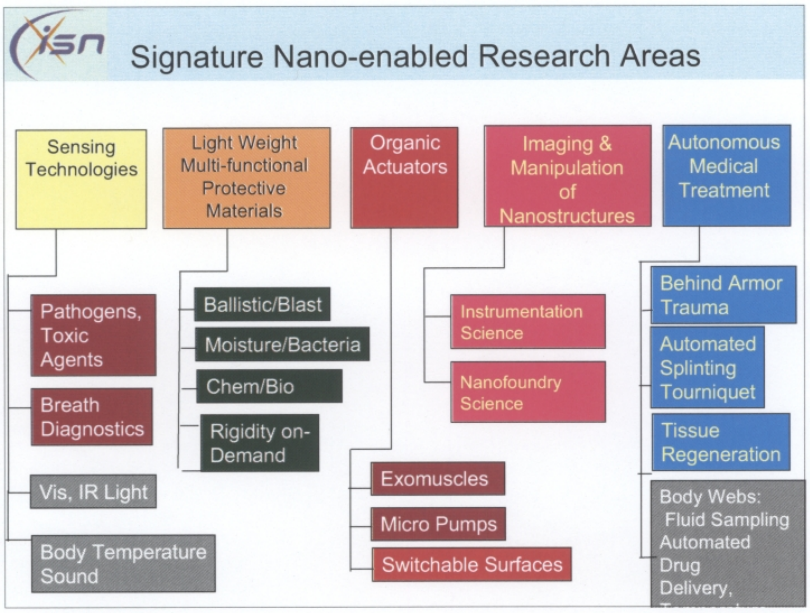


We have also developed networks of photonic molecular wires for the detection of explosives. These materials are electronic plastics that absorb and emit light and have a high sensitivity to explosives like TNT. The polymer chains have the unusual ability to self-amplify their own sensory responses due the transport of energy packets throughout the network. This process behaves similarly to a string of holiday lights wherein only one light need be broken to cause the entire system to become dark. When illuminated using ultraviolet light, the set of sensor wires glows green. When molecules of TNT vapor bind to the polymers, the fluorescence is quenched—that is the green light goes out signaling detection of TNT. To transition our 6.1 proof of concept to an actual fieldable technology for the military, the ISN works with partner companies, both large and small, distributed throughout the United States. MIT has licensed our explosives detection technology to Nomadics, a small company based in Oklahoma, which has developed small, ultra-sensitive explosive detectors. The Nomadics sensor, known as Fido™, detects vapors of explosives as they pass through a capillary containing a nanocoating of the MIT electronic plastic. These systems can rapidly detect explosive vapors at distances more than 2 meters away from the source. Only trained dogs are capable of similar detection limits, and hence Fido represents an important new capability for our soldiers.



Fido sensors are undergoing evaluation in Iraq both as hand held systems and on robotic platforms. This integrated system can be used at checkpoints for vehicle interrogation at safe distances. It can also be used for investigating potential roadside bombs and identifying individuals who have recently handled explosives. The feedback from soldiers in Iraq to date has been very promising. This is a great example of how basic research at universities guided by Army needs with close coupling to industry has paid off.

The research portfolio of the ISN continues to evolve as faculty bring their ideas on how nano can provide for soldier and first responder needs. Exciting new areas of research have been initiated via a combination of applications-pull and fundamental discovery-push. Science for the soldier is one way that universities can both work at the cutting edge of research and help with national needs.



Senator STEVENS. Well, thank you. I do not understand that one exhibit you have, which shows the bullet still traveling through the fabric. What's that meant to mean?

Dr. THOMAS. What we imagined they are on the bullet going to the fabric, these are fibers that would sense temperature. So one of the problems is when someone is wounded, the medic who comes up doesn't know where the wound is, generally, and has to strip search the person, taking off that 120 pounds worth of stuff to find the worst wound.

The notion here is that these fibers would be incorporated into the uniform next to the body, and would measure the temperature of the body at all times. So when you are wounded, the notion is there would be blood flow, say, and then there would be a local excursion of temperature that would be a way to wirelessly communicate to the medic that (*a*) "tell the person, tell the medic that someone's down," and (*b*) where to look on that person to look for the wound.

Senator STEVENS. Well, we appreciate your statement. We are quite interested in that, and we will be pleased to follow up on it. I do think that there's a lot to reducing the weight. We had one young woman who came to testify, and she weighed less than the pack she jumped with. So it is a real problem.

Dr. THOMAS. Yes, sir.

Senator STEVENS. Thank you very much.

Our next witness is Master Chief Joseph Barnes, the National Executive Secretary of the Fleet Reserve Association.

STATEMENT OF MASTER CHIEF JOSEPH L. BARNES, UNITED STATES NAVY (RETIRED), NATIONAL EXECUTIVE SECRETARY, FLEET RESERVE ASSOCIATION

Chief BARNES. Mr. Chairman, thank you for the opportunity to present the Fleet Reserve Association's (FRA's) views on the 2007 defense budget.

FRA's top priority is supporting adequate funding for protective devices, body armor, equipment, and specially outfitted combat vehicles, to protect personnel serving in Operations Iraqi Freedom and Enduring Freedom.

We must also ensure that resources are available so that wounded troops, their families, and the survivors of those killed in action, are cared for by a grateful nation.

Fleet Reserve Association is committed to working with Congress and DOD to ensure full funding of the defense health budget, and ensure access to the health care system for all uniformed services beneficiaries. This is critical to readiness and the retention of qualified uniform services personnel. FRA opposes the establishment of a TRICARE standard enrollment fee, and supports the restoration of $735 million to the defense health care budget. FRA believes other cost-saving initiatives should be implemented as alternatives to DOD's drastic plan to shift health care costs to military retirees.

The association also supports appropriations to make TRICARE available on an optional basis for all selected reservists and families, on a cost-sharing basis. FRA supports appropriations necessary to implement a 2.7 percent across-the-board military pay increase on one January 2006, plus funding for additional targeted pay increases for senior enlisted personnel, and certain officer grades.

These increases will help achieve additional progress toward closing the pay gap between military and civilian pay levels. Adequate Active and Reserve end strengths are important to maintaining readiness, and FRA strongly supports increasing the Marine Corps end strength to 180,000. If force size is inadequate and op tempo too intense, the performance of individual servicemembers is negatively affected.

An issue important to FRA's membership is the acceleration of SBP paid update from 2008 to 2006 for participants having paid premiums for 30 years, and being at least 70 years of age. If authorized, the association asks for support from this distinguished subcommittee to fund this enhancement.

FRA also supports funding to maintain the commissary benefit, increase Reserve Montgomery G.I. bill (MGIB) education benefits, fund family readiness and spouse employment opportunities, and supplemental impact aid funding for school districts with large numbers of military-sponsored students.

Thank you, Mr. Chairman, for the opportunity to present the association's recommendations.

Senator STEVENS. Thank you, Chief. We appreciate your testimony.

[The statement follows:]

PREPARED STATEMENT OF JOSEPH L. BARNES

Mr. Chairman and other distinguished Members of the subcommittee: The Fleet Reserve Association (FRA) is most grateful for your support of our military men and women and, particularly, those serving or having served in Afghanistan, Iraq and other troubled spots around the globe. At the top of the association's gratitude list is the quality of life improvements funded during the First Session of the 109th Congress. Thanks so much for the effort. FRA appreciates the support to making a tough life much easier for those that might make the ultimate sacrifice in the service of this Nation. BRAVO ZULU.

This statement lists the concerns of our members, keeping in mind that the association's primary goal is to endorse any positive safety programs, rewards, and quality of life improvements that support members of the uniformed services, particularly those serving in hostile areas, and their families, and survivors.

FRA remains concerned that many of our sailors, marines and coast guardsmen serving in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) may not be fully armed with the best protective devices available for their personal safety. Advocating the funding for and receipt of these protective devices; including vehicle protection, armor and electronic equipment to disrupt IEDs for every uniformed member sent into harm's way is FRA's No. 1 priority.

The association's next priority is to ensure adequate resources so our wounded troops, their families, and the surviving families of the men and women killed in action are cared for by a grateful Nation.

HEALTH CARE

Full Funding for the Defense Health Program: A top priority for FRA is to continue to work with Congress and DOD to ensure adequate funding for the Defense Health Program in order to meet readiness needs, and improve access to all beneficiaries regardless of age, status, or location. FRA believes other cost saving options should be reviewed by DOD before TRICARE fees are increased as proposed in the administration's fiscal year 2007 budget request. DOD has not sufficiently investigated other options to make TRICARE more cost-efficient as alternatives to shifting costs to retiree beneficiaries who have earned this benefit by serving their country.

FRA recommends making TRICARE a true second-payer to other health insurance. The association questions DOD's assumptions about driving some 150,000 retirees with other health care coverage away from TRICARE.

DOD should also negotiate with drug manufacturers for retail pharmacy discounts, or change the law to mandate Federal pricing for the retail pharmacy network. FRA believes this change could result in significant savings to the Defense Health System.

DOD should eliminate all mail-order co-pays to boost use of this lowest cost option for beneficiaries to receive prescription medications. The elimination of all co-pays will help drive many more beneficiaries to this pharmacy cost-savings benefit option. Accelerating DOD/VA cost sharing initiatives will ensure full implementation of seamless transition, including electronic medical records and one stop military discharge physicals—all strongly supported by FRA.

The proposed future fee adjustments which are pegged to health care inflation will also significantly erode the value of retired pay, particularly for enlisted retirees who retired prior to larger and targeted recent pay adjustments enacted to close the pay gap. Military service is very different from work in the corporate world and requires service in often life threatening duty commitments and the associated benefits offered in return must be commensurate with these realities.

PROTECT PERSONNEL PROGRAMS

FRA is concerned about DOD's apparent decision to reduce end strength to pay for weapons systems. DOD's priority of money for weapons before people will have an impact on retention and recruitment.

Active Duty Pay.—FRA supports additional annual active duty pay increases that are at least .05 percent above the Employment Cost Index (ECI) along with increases for mid-career and senior enlisted personnel to help close the pay gap between active duty and private sector pay, and work to restore the ratio of pay between junior and senior enlisted personnel which existed prior to the advent of the All Volunteer Force.

For fiscal year 2007, the administration recommended a 2.2 percent across the board basic pay increase for members of the Armed Forces. This increase will be the smallest increase since 1994.

The statutory requirement to peg annual active duty pay adjustments at 0.5 percent above the Employment Cost Index (ECI) expired in fiscal year 2006. Compensation is directly related to recruitment and retention of quality personnel in an all-volunteer environment and FRA believes that maintaining a high level of morale and readiness is critical in winning the war on terror. With the addition of targeted raises authorized by Congress since fiscal year 2001, the formula has reduced the pay gap with the private sector from 13.5 percent to 4.4 percent. These targeted pay increases for middle grade and senior petty and noncommissioned officers and warrant officers have contributed significantly to improved morale, readiness, and retention, and the Association strongly supports targeted increases for fiscal year 2007.

Military service is very different from work in the private sector and often involves life threatening duty assignments, with long periods of separation from service member's families. Their pay and benefits must reflect these realities.

Commissaries.—FRA supports adequate funding for the Defense Commissary Agency (DeCA) to preserve the value of the current benefit for all patrons. FRA is concerned about store closures, staff reductions, or other initiatives that may diminish the scope and quality of the benefit.

Family Readiness and Support.—FRA supports a well-funded family readiness and support structure to enhance family cohesion that will improve retention and recruitment. It's most important that DOD and the military services concentrate on providing information and education programs for the families of our service members. There are a number of existing spousal and family programs that have been fine tuned and are successfully contributing to the well-being of this community. The Navy's Fleet and Family Centers and the Marines' Marine Corps Community Services (MCCS) and Family Services programs are providing comprehensive, 24/7 information and referral services to the service member and family through its One Source links. One Source is particularly beneficial to mobilized reservists and families who are unfamiliar with benefits and services available to them.

It's true that "the servicemember enlists in the military service—but it's the family that reenlists." To ensure the family opts for a uniformed career, the family must be satisfied with life in the military. To assist in bringing that satisfaction, FRA recommends the following.

Child and Youth Programs.—Both programs rank high in priority for the families of sailors and marines. As an integral support system for mission readiness and deployments, its imperative these programs continue to be improved and expanded to cover the needs of both married and single parents. Currently, the Navy's program cares for over 31,000 children 6 months to 12 years in 227 facilities, and in 3,180 on and off base licensed child development homes. However the Navy continues to fall short on child care development homes. Access to child care is important and FRA urges Congress to authorize adequate funding for this important benefit.

Spousal Employment.—The association urges Congress to continue its support of the military's effort to affect a viable spousal employment program and to authorize sufficient funds to assure the program's success. Today's all-volunteer environment requires the services to consider the whole family. It is no longer adequate to focus only on the morale and financial well-being of the member. Now, his or her family must be considered. A major consideration for spousal employment is that it could be a stepping-stone to retention of the service member—a key participant in the defense of this Nation.

DOD Schools.—FRA recommends that the subcommittee provide the necessary funds to continue the effective operation of the Department of Defense's school system and to cease and desist from using appropriated funds to find ways and means to close or transfer its school system to local school districts. Further threats of closures impact the morale of our Nation's military personnel and families. FRA notes with concern the Department of Defense's (DOD's) repeated quest to close some or all DOD-sponsored schools operating on military installations in CONUS. FRA is adamantly opposed to reducing the quality of education now enjoyed by the children of military personnel by forcing them to enroll in public schools.

Morale, Welfare, and Recreation Programs (MWR).—FRA recommends the subcommittee increase funding for MWR programs. FRA believes these programs are vital to supporting the servicemember and his or her family. They include recreation, fitness, social and community support activities, spouse employment, personal financial management, counseling, family advocacy, safety, transition and relocation programs—all having a positive affect on fleet readiness. Sailors have consistently ranked fitness centers and gyms available to them a top priority and are the most used MWR program.

Currently, the shortage of funds is curtailing or closing some of the activities while the costs of participating in others have recently increased. Regarding Navy

fitness centers, the biggest challenge is to update older fitness structures and providing the right equipment, and ensure availability of trained staff.

Active Duty and Reserve Component Personnel End Strengths.—FRA strongly supports adequate end strength to win the war on terror and to maintain other needed military commitments around the world. America is at war and FRA believes the Sea Services should have adequate numbers of personnel to meet the demands of fighting the war on terror and sustain other operational commitments. Many are concerned that the fiscal year 2007 DOD budget request sacrifices manpower for technology and does not address adequate service end strengths. Accordingly, FRA strongly supports increased USMC end strength of 180,000. The association is also concerned about the impact of Navy end strength reductions of 12,000, a 3 percent cut from last year. Inadequate end strengths increase stress on the military personnel and their families and contribute to greater reliance on the Guard and Reserves.

Education Funding.—FRA strongly supports supplemental Impact Aid for highly impacted school districts. FRA is most appreciative for the Impact Aid authorized in previous defense measures. FRA believes it is important to ensure our service members, many serving in harm's way, have less concern about their children's educations but more to do with the job at hand.

Reform of PCS Process.—FRA supports upgrading permanent change-of-station allowances to reflect the expenses members are forced to incur in complying with government-directed relocations. Specifically, the overwhelming majority of service families own two privately owned vehicles, driven by the financial need for the spouse to work, or the distance some families must live from an installation and its support services. FRA supports funding necessary to ship a second POV at government expense to overseas accompanied assignments. In many overseas locations, families have difficulty managing without a second family vehicle because family housing is often not co-located with installation support services. FRA also continues to support resources necessary to provide full replacement value for lost or damaged household goods during the PCS process.

RESERVE ISSUES

FRA stands foursquare in support of the Nation's Reservists. They were once known as "weekend warriors." But today, it's a different story. Given the pressure of the war on terror, Reserve units are now increasingly being mobilized to augment active duty components. Up to 75 percent of the U.S. Coast Guard Reserve has been mobilized, with many members serving multiple tours of active duty in support of contingency operations. More than 5,000 Reserve sailors are mobilized, mostly in the desert. In fact, wherever active-duty marines are engaged around the world, Marine Reservists are there.

Inadequate benefits for Reservists and the Guard can only undermine long-term retention and readiness. Because of increasing demands on these personnel to perform multiple missions abroad over longer periods of time, it's essential to improve compensation and benefits packages to attract recruits and retain currently serving personnel.

Healthcare.—FRA supports making the TRICARE program available on an optional basis for all selected Reservists and families on a cost-sharing basis. FRA recommends funding to increase subsidy levels for TRICARE coverage for drilling Reserve members not yet mobilized and having one premium for all members of the Guard and Reserve who continue to be drilling members. TRICARE Reserve Select is a very important benefit, particularly because consistency of healthcare benefits and continuity of care are major concerns for Reserve personnel and their families. DOD must rely more heavily upon the Guard and Reserve personnel to prosecute the war and sustain other operational commitments. In addition, deployments are also becoming longer and more frequent and these personnel are indispensable to our Armed Forces.

Retirement.—FRA recommends that Congress reduce the age when Reserve members are eligible for retirement pay, particularly for those members who have experienced extended mobilizations.

Family Readiness.—FRA supports more emphasis on providing consistent funding and increased outreach to connect Guard and Reserve families with these support programs. FRA therefore supports increasing funding for family readiness especially for those geographically dispersed and not readily accessible to military installations and inexperienced with the military. Unlike active duty families who often live near military facilities and support services, many Reserve families live in civilian communities. This poses a major challenge for them, because military information and support is not readily available. Congressional hearing witnesses have indicated

that many of the half million mobilized Guard and Reserve personnel have not received transition assistance services they and their families need to make a successful transition back to civilian life.

BASE CLOSINGS

BRAC.—FRA strongly supports resources to support retention of military treatment and other facilities at BRAC sites that are patronized by sizeable retiree and Reserve populations. Thousands of military members and families will be under great stress in the months and years ahead as a result of rebasing, closure, and transformation actions. But the impact extends beyond the active duty personnel currently assigned to the affected installations. The entire beneficiary community—Reserve, retirees, survivors, veterans, and others—experience the traumatic impact of a realignment and closure actions. Support facilities are usually closed, and beneficiaries who relied on the base for support are forced to search elsewhere.

CONCLUSION

FRA is grateful for the opportunity to present the organization's views to this distinguished subcommittee. The association reiterates its profound gratitude for the extraordinary progress this subcommittee has made in advancing a wide range of military personnel benefits and quality-of-life programs for all uniformed services personnel and their families and survivors. Thank you again for the opportunity to present the FRA' views on these critically important topics.

Senator STEVENS. Our next witness is Lesli Foster of Channel 9 News.

I hope you all realize what we are doing. There are votes going on on the floor, and Senator Inouye goes to vote, and then he comes back, and then I go to vote. Thank you.

Good morning.

STATEMENT OF LESLI FOSTER MATHEWSON, WEEKEND ANCHOR, CHANNEL 9 NEWS, WASHINGTON, DC

ACCOMPANIED BY JOHN MATHEWSON, EXECUTIVE VICE PRESIDENT, THE HSC FOUNDATION

Ms. FOSTER. Good morning. Chairman Stevens, thank you for the opportunity to share my thoughts. My name is Lesli Foster Mathewson, and I am a news anchor and reporter for WUSATV9 in Washington, DC. I am here today with my husband, a proud prostate cancer survivor, to share our story about fighting this disease.

I feel it is personally important for us to be here because cancer happens to the family, not just the man who is impacted by the disease.

Our story is that 89 days after we got married in September 2004, my husband was diagnosed with prostate cancer. I was stunned, scared, and worried about the prospect of what I'd do without the love of my life. And I thought, like many, that prostate cancer was a disease that struck only older men. My grandfather succumbed to prostate cancer just 4 years earlier.

It is still hard for me to reconcile this in my head some days, because John was active and committed to healthy living, and we had a lifetime ahead of us. Why him? Why us?

Surgery was the best option because of the age and stage of his particular cancer, but his treatment did present one significant challenge. We would have a good chance to eradicate the cancer from his body, but in doing so we would lose our opportunity to conceive children naturally. We only had 6 weeks prior to his surgery to try and conceive, and thankfully, we were able to get pregnant with what we call our miracle baby before my husband had

his surgery in February 2005 at Johns Hopkins. We gave birth to our daughter, Jordan Elise, in October of last year, and best of all, John has remained cancer-free.

I am relieved and feel incredibly blessed to know that John is healthy, and we certainly hope that he will be around for us to celebrate many more years together, and he'll be able to see our daughter grow up. But I am always concerned about his cancer because we still need to do more research to determine why young men like him are being stricken at alarming rates, and what if anything we can do to prevent this disease.

Mr. MATHEWSON. Senator Stevens, thank you also for the opportunity to share my thoughts. My name is John Mathewson, and I serve as Executive Vice President of the HSC Foundation, a nonprofit hospital system based here in Washington. I am especially proud to be here with my rock and pillar, my wife. I am so fortunate that she was and is unwavering in her support.

Shocked, scared, queasy, why me. At 45 years old, at the time I was too young. It doesn't run in my family. I do not smoke. How long do I have to live? Will it hurt? My wife is only 30. Those are just some of the thoughts that ran through my mind on December 2, 2004. I understand how to access the health care system. Outside of my age, my greatest risk factor for prostate cancer was being an African-American male.

And like so many other diseases, the incidence among black men compared to other culture groups is agonizing. We tend to be diagnosed later, have a form of the disease that advances faster, and have a higher mortality rate than whites. Good treatment options are fine, but wouldn't it be better if we could do a better job of preventing the disease in the first place?

I should share that since I had been treated, one of my older brothers has also now been diagnosed with the disease. He was 62 at the time, and had never had a PSA exam. So now all the remaining four of my brothers must get checked annually.

If I could leave you with two things today, they would be this: the public as well as primary care physicians need better education about prostate cancer. I had a false sense of security about my health, largely revolving around the education that is available for prostate cancer prevention, because I didn't know enough until I was finally treated at Hopkins.

The next is that it takes 5 to 7 years to develop this disease. So waiting until age 40 to educate African-American men is too late. It needs to begin in their 30s.

I also hope that there is a significant acknowledgment about how deadly this disease is for all men. All men are at risk.

In closing, I want to say that we support the National Prostate Cancer Coalition, and I urge you to fund the Prostate Cancer Research Program in the Department of Defense at $85 million for fiscal year 2007. We urge you to continue to support these programs that provide access to new discoveries that will help us understand and cure prostate cancer.

This concludes our testimony. Thank you for the privilege to present our story.

Senator STEVENS. And thank you very much, both of you. I guess you know I'm a survivor of prostate cancer also, so I appreciate your testimony very much.

I'm going to go out of order and ask Dr. Polly to come up now, with Senator Inouye's consent. I am going to have to leave and not come back because I'm one of the people that has to go meet the Speaker for the joint session. But Dr. Polly, Senator Inouye knows, is the only reason I'm sitting up here, and can walk and run and play tennis and lift weights. So I honor you, Doctor, and would like to hear your statement.

STATEMENT OF DR. DAVID W. POLLY, JR., M.D., ON BEHALF OF THE AMERICAN ACADEMY OF ORTHOPAEDIC SURGEONS

Dr. POLLY. Thank you, Mr. Chairman. My name is Dr. David Polly, and I'm speaking on behalf of the American Academy of Orthopaedic Surgeons.

As a graduate of West Point and an airborne ranger who served as a line officer in the Army, I subsequently attended medical school at the Uniformed Services University, and then trained in orthopaedic surgery at Walter Reed. I have personally cared for injured soldiers at Walter Reed during four different military conflicts, and have served in a war zone as a military orthopaedic surgeon. My last assignment before retiring was as chair of Orthopaedic Surgery at Walter Reed.

I'm here today to thank the members of the subcommittee for establishing and funding the fiscal year 2006 orthopaedic trauma research program at the Institute of Surgical Research, at Brooke. I urge continuation of funding for this vital program. More than half of the trauma out of Afghanistan and Iraq is orthopaedic related, with a vast majority being to the upper and lower extremities, as well as the spine.

Body armor, as you've heard earlier, does a remarkable job of protecting the soldier's torso, but his or her extremities are particularly vulnerable, especially to IEDs. Wounded soldiers who have died in previous conflicts are now surviving, and have to recover from these devastating injuries. These injuries are producing unprecedented numbers of mangled extremities, with severe reconstructive challenge. And infection is often a problem.

What has been done so far? An extremity war injury symposium was held here in Washington, DC, in January 2006 as a partnership between organized orthopaedic surgery industry and military surgeons. And I'd like to thank you, sir, for attending that conference. Proceedings of the symposium included a list of prioritized research needs that closely parallels those released on February 13 for the Orthopaedic Trauma Research Program.

Among these priorities include reduction of infection, improved healing of segmental bone defects, and many others.

The intent of the Orthopaedic Trauma Research Program is to foster collaboration between civilian and military orthopaedic surgeons and researchers. Civilian researchers have the expertise and the resources to assist their military colleagues with the growing number of musculoskeletal war wound challenges, to augment military research efforts. This collaboration will provide wide-ranging benefits to civilian trauma patients, as well.

Senator STEVENS. Doctor, I'm summoned. I do thank you for coming. And again, I honor you, my friend. Thank you.

Dr. POLLY. Thank you, sir.

Early stages of the program revealed a strong interest. Close to 100 pre-proposals have been received, totaling over $20 million in requests. Of these, 76 merited full proposal submission, and will be reviewed in July. Intelligence surveillance reconnaissance (ISR) expects to receive much higher numbers of proposals in subsequent years when the time line is less compressed.

With orthopedic trauma being the most common form of trauma seen in military conflicts, it is crucial that there be funding dedicated specifically to the enhancement of orthopaedic trauma research. The academy has worked closely with top orthopaedic surgeons in the military to identify the gaps in research and care, and the needs are overwhelming. Especially considering that military trauma is not a research focus for the National Institutes of Health (NIH).

I commend Congress for its commitment to amputee care funding, but our goal must be to do everything we can to avoid having this need to provide this care, and to salvage these injured limbs in the first place. Expanded Federal commitment to the orthopaedic extremity trauma research program would move us closer to this goal. On behalf of America's soldiers, military orthopedic surgeons, and the American Academy of Orthopaedic Surgeons, I respectfully request that the subcommittee continue the Orthopaedic Trauma Research Program at a funding level of $25 million. As this program is only in its infancy, continuity is critical to its future success.

Thank you once again for this opportunity, and I'd be glad to answer any questions.

Senator INOUYE [presiding]. You may be assured that we will do our best, sir.

Dr. POLLY. Yes, sir. Thank you for your efforts in the past, and your continuing efforts today.

Senator INOUYE. Thank you.

[The statement follows:]

PREPARED STATEMENT OF DAVID W. POLLY, JR.

Chairman Stevens, ranking member Inouye, Members of the Senate Defense Appropriations Subcommittee, thank you for the opportunity to testify today. My name is David W. Polly, Jr., M.D., and I speak today on behalf of the American Academy of Orthopaedic Surgeons (AAOS), of which I am an active member, as well as on behalf of military and civilian orthopaedic surgeons involved in orthopaedic trauma research and care.

I am a graduate of the United States Military Academy at West Point and as an airborne ranger, served as a line officer in the Army. Subsequently, I attended medical school at the Uniformed Services University of the Health Sciences and trained in orthopaedic surgery at Walter Reed Army Medical Center. I have personally cared for injured soldiers at Walter Reed during four different military conflicts and have been deployed to a war zone as a military orthopaedic surgeon. My last assignment was as chair of the Department of Orthopaedic Surgery and Rehabilitation at Walter Reed. I retired at the end of 2003 after more than 24 years of service. I am currently professor of Orthopaedic Surgery and Chief of Spine Surgery at the University of Minnesota.

First and foremost, I am here today to thank the Members of this subcommittee for establishing funding in fiscal year 2006 for the Orthopaedic Trauma Research Program (OTRP) and urge continuation of funding for this vital program. I will discuss the common types of orthopaedic trauma seen out of Iraq and Afghanistan and

offer a military perspective on the direction in which orthopaedic research should head in order to better care for soldiers afflicted with orthopaedic trauma. Finally, I will provide an update on the progress of OTRP, which is administered by the U.S. Army Institute of Surgical Research (USAISR).

ORTHOPAEDIC TRAUMA FROM OPERATION IRAQI FREEDOM AND OPERATION ENDURING FREEDOM

The Armed Forces are attempting to return significantly injured soldiers to full function or limit their disabilities to a functional level in the case of the most severe injuries. The ability to provide improved recovery of function moves toward the goal of keeping injured soldiers part of the Army or service team. Moreover, when they do leave the Armed Forces, these rehabilitated soldiers have a greater chance of finding worthwhile occupations outside of the service to contribute positively to society. The Army believes that it has a duty and obligation to provide the highest level of care and rehabilitation to those men and women who have suffered the most while serving the country.

It probably comes as no surprise that more than half of the trauma seen out of Iraq and Afghanistan is orthopaedic-related, especially upper and lower extremity and spine. From October, 2001 through January, 2005, extremity injuries alone accounted for 54 percent of the wounds sustained in Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF) according to the Joint Theater Trauma Registry, a database of medical treatment information from a theater of combat operations treated at U.S. Army medical treatment facilities. Other reports suggest this number is closer to 60–70 percent for OIF, and these estimates do not include non-American and civilians receiving medical care through U.S. military facilities. By comparison to previous wars, the current conflicts are experiencing a greater proportion of upper extremity fractures in particular.

Of 256 battle casualties treated at the Landstuhl Regional Medical Center in Germany during the first 2 months of OIF, 68 percent sustained an extremity injury. The reported mechanism of injury was explosives in 48 percent, gun-shot wounds in 30 percent and blunt trauma in 21 percent. As the war has moved from an offensive phase to the current counter-insurgency campaign, higher rates of injuries from explosives can be expected. (Johnson BA. Carmack D, Neary M, et al. Operation Iraqi Freedom: the Landstuhl Regional Medical Center experience. *J Foot Ankle Surg*. 2005; 44:177–183.) According to the JTTR, between 2001 and 2005, explosive mechanisms accounted for 78 percent of the war injuries compared to 18 percent from gun shots.

While medical and technological advancements, as well as the use of fast-moving Forward Surgical Teams, have dramatically decreased the lethality of war wounds, wounded soldiers who may have died in previous conflicts from their injuries are now surviving and have to learn to recover from devastating injuries. While body armor does a great job of protecting a soldier's torso, his or her extremities are particularly vulnerable during attacks.

Characteristics of Military Orthopaedic Trauma

According to the New England Journal of Medicine, blast injuries are producing an unprecedented number of "mangled extremities"—limbs with severe soft-tissue and bone injuries. ("Casualties of War—Military Care for the Wounded from Iraq and Afghanistan," *NEJM*, December 9, 2004). The result of such trauma is open, complex wounds with severe bone fragmentation. Often there is nerve damage, as well as damage to tendons, muscles, vessels, and soft-tissue. In these types of wounds, infection is often a problem. According to the JTTR, 53 percent of the extremity wounds are classified as penetrating soft-tissue wounds, while fractures compose 26 percent of extremity wounds. Other types of extremity wounds composing less than 5 percent each are burns, sprains, nerve damage, abrasions, amputations, contusions, dislocations, and vascular injuries.

Military Versus Civilian Orthopaedic Trauma

While there are similarities between orthopaedic military trauma and the types of orthopaedic trauma seen in civilian settings, there are several major differences that must be noted. First, with orthopaedic military trauma, there are up to five echelons of care, unlike in civilian settings when those injured are most likely to receive the highest level of care immediately. Instead, wounded soldiers get passed from one level of care to the next, with each level of care implementing the most appropriate type of care in order to ensure the best possible outcome. The surgeon in each subsequent level of care must try to recreate what was previously done. In addition, a majority of injured soldiers have to be medevaced to receive care and transportation is often delayed due to weather or combat conditions. It has been our

experience that over 65-percent of the trauma is urgent and requires immediate attention.

Second, soldiers wounded are often in fair or poor health, are frequently malnourished, and usually fatigued due to the demanding conditions. This presents many complicating factors when determining the most appropriate care.

Third, the setting in which care is initially provided to wounded soldiers is less than ideal, to say the least, especially in comparison to a sterile hospital setting. The environment, such as that seen in Iraq and Afghanistan, is dusty and hot, leading to concerns about sterilization of the hospital setting. For example, infection from acinetobacter baumanni, a ubiquitous organism found in the desert soil of Afghanistan and Iraq, is extremely common. In addition, the surgical environment is under constant threat of attack by insurgents. In fact, a considerable percentage of the care provided by military surgeons is for injured Iraqis, both friendly and hostile. Finally, the surgical team is faced with limited resources that make providing the highest level of care difficult.

While, as I have stated, there are many unique characteristics of orthopaedic military trauma, there is no doubt that research done on orthopaedic military trauma benefits trauma victims in civilian settings. Many of the great advancements in orthopaedic trauma care have been made during times of war, such as the external fixateur, which has been used extensively during the current conflict as well as in civilian care.

Future Needs of Orthopaedic Trauma Research

An Extremity War Injuries (EWI) Symposium was held in Washington, DC on January 24–27, 2006. This extraordinary symposium was a partnership effort between organized orthopaedic surgery, military surgeons and industry. It was attended by 98 military and civilian physicians and researchers committed to the care of extremity injuries. The symposium addressed current challenges in the management of extremity trauma associated with recent combat in Iraq and Afghanistan.

The focus of the symposium was to identify opportunities to improve the care for the sons and daughters of America who have been injured serving our Nation. Proceedings from the symposium included a list of prioritized research needs:

Timing of Treatment.—Better data are necessary to establish best practices with regard to timing of debridement, timing of temporary stabilization and timing of definitive stabilization. Development of animal models of early versus late operative treatment of open injuries may be helpful. Prospective clinical comparisons of treatment groups will be helpful in gaining further understanding of the relative role of surgical timing on outcomes.

Techniques of Debridement.—More information is necessary about effective means of demonstrating adequacy of debridement. Current challenges, particularly for surgeons with limited experience in wound debridement, exist in understanding how to establish long-term tissue viability or lack thereof at the time of an index operative debridement. Since patients in military settings are typically transferred away from the care of the surgeon performing the initial debridement prior to delivery of secondary care, opportunities to learn about the efficacy of initial procedures are lost. Development of animal models of blast injury could help establish tissue viability markers. Additional study is necessary to understand ideal frequencies and techniques of debridement.

Transport Issues.—Clinical experience suggests that current air evacuation techniques are associated with development of complications in wound and extremity management although the specific role of individual variables in the genesis of these complications is unclear. Possible contributing factors include altitude, hypothermia and secondary wound contamination. Clinical and animal models are necessary to help develop an understanding of transport issues. Development, testing and approval of topical negative pressure devices for use during aeromedical transport should be facilitated.

Coverage Issues.—Controlled studies defining the role of timing of coverage in outcome following high-energy extremity war injuries are lacking. Also necessary is more information about markers and indicators to help assess the readiness of a wound and host for coverage procedures. Both animal modeling and clinical marker evaluation are necessary to develop understanding in this area.

Antibiotic Treatments.—Emergence of resistant organisms continues to provide challenges in the treatment of infection following high-energy extremity war injuries. Broader prophylaxis likely encourages development of antibiotic resistance. In the context of a dwindling pipeline of new antibiotics, particularly those directed toward gram-negative organisms, development of new technologies to fight infection is necessary. This patient population offers opportunity to assess efficacy of vaccina-

tion against common pathogens. Partnerships with infectious disease researchers currently involved in addressing similar questions should be developed.

Management of Segmental Bone Defects.—A multitude of different techniques for management of segmental bone defects is available. These include bone transport, massive onlay grafting with and without use of recombinant proteins, delayed allograft reconstruction, and acute shortening. While some techniques are more appropriate than others after analysis of other clinical variables, controlled trials comparing efficacy between treatment methods are lacking. Variables that may affect outcome can be grouped according to patient characteristics including comorbidities, injury characteristics including severity of bony and soft-tissue wounds, and treatment variables including method of internal fixation selected. Evaluation of new technologies for treatment of segmental bone defects should include assessment of efficacy with adequate control for confounding variables and assessment of cost-effectiveness.

Development of an Animal Model.—A large animal survival military blast injury model is necessary to serve as a platform for multiple research questions including: VAC v. bead pouch v. dressing changes; Wound cleaning strategy; Effect of topical antibiotics; Modulation of inflammatory response; Timing of wound closure; and Vascular shunt utilization.

Amputee Issues.—Development and validation of "best practice" guidelines for multidisciplinary care of the amputee is essential. Treatment protocols should be tested clinically. Studies should be designed to allow for differentiation between the impacts of the process versus the device on outcome. Failure analysis as a tool to evaluate efficacy of treatment protocols and elucidate shortcomings should be utilized. Clinically, studies should focus on defining requirements for the residual limb length necessary to achieve success without proceeding to higher level amputation. Outcomes based comparisons of amputation techniques for similar injuries and similar levels should be performed. Use of local tissue lengthening and free tissue transfer techniques should be evaluated. In the context of current results and increasing levels of expectation for function following amputation, development of more sensitive and military appropriate outcomes monitors is necessary.

Heterotopic Ossification.—Animal models of heterotopic ossification should be utilized to develop early markers for heterotopic ossification development that could identify opportunities for prevention. Better information is needed about burden of disease including prevalence following amputation for civilian versus military trauma and frequency with which symptoms develop. Treatment methods such as surgical debridement, while effective, necessarily interrupt rehabilitation. Prevention could expedite recovery and potentially improve outcome.

Data Collection System.—A theme common to virtually all discussions on research and patient care for our soldiers has been the need for access to better longitudinal patient data. Current patient care processes both in theatre and at higher echelon care centers do not include data captured in a way that allows simple electronic linkage of medical records from one level of care to the next. At least two electronic medical records systems are in use, and they are not necessarily compatible with one another. Any electronic medical record used should be web based to allow for linkage of patient data from the earliest echelon of documented care through the VA system. The system must be user friendly and not cumbersome to encourage entry of information critical to outcomes analysis. An example of one system with some of the necessary components is the current Joint Patient Tracking Application (JPTA). The system unfortunately lacks integration with a trauma registry or database to allow for retrospective or prospective analyses of specific injuries and treatments. Funding is necessary for platform development, information systems infrastructure and data entry personnel.

Stories from the Frontlines

There have been many heroic stories of injured soldiers struggling to regain function and to return to normal life, or even back to service. A story highlighted in a March 2005 National Public Radio (NPR) series titled "Caring for the Wounded: The Story of Two Marines," followed two Marines injured in Iraq: 1st Sgt. Brad Kasal and Lance Cpl. Alex Nicoll. Lance Cpl. Nicoll had to have his left leg amputated as a result of his injuries from gunshot wounds. Nicoll has undergone physical therapy at Walter Reed to adjust to his new prosthetic leg, made from graphite and titanium. While Sgt. Kasal was so seriously injured that he lost four inches of bone in his right leg, due to medical advances in limb salvaging, he did not have to have his leg amputated. Kasal underwent a bone growth procedure, called the Illizarov Technique, which grows the bone one millimeter a day.

The Iraq war has created the first group of female amputees. Lt. Dawn Halfaker is one of approximately 11 military women who have lost limbs from combat injuries

in Iraq, compared to more than 350 men. She lost her arm to a life-threatening infection, after sustaining major injuries, along with another soldier, when on a reconnaissance patrol in Baqouba, Iraq, a rocket-propelled grenade exploded inside her armored Humvee. Maj. Ladda "Tammy" Duckworth lost both legs when a rocker-propelled grenade slammed into her Black Hawk helicopter near Balad. Juanita Wilson, an Army staff sergeant, lost her left hand when an improvised bomb exploded near her Humvee on a convoy mission north of Baghdad. All three women are successfully moving forward in military or civilian careers.

Bone problems, seldom seen in soldiers from previous wars who have lost limbs, have complicated recoveries for Iraq and Afghanistan-stationed soldiers. Heterotopic ossification, or H.O., a condition in which bone grows where it doesn't belong, has developed in nearly 60 percent of 318 amputees treated at Walter Reed Army Medical Center. Nearly 70 patients from across the military have been treated for H.O. at Brooke Army Medical Center. Rarely occurring in civilian amputees, high-intensity blasts, which can shred muscles, tendons and bone, appears to stimulate adult stem cells to heal damage, but repair signals often go awry. Advances in body armor resulting in higher survival rates and ability to preserve more damaged tissue, have lead to the high number of H.O. cases where little research exists on how to treat the condition among amputees. ("Bone condition hampers soldiers' recovery," *USA TODAY*, February 12, 2006)

These stories clearly illustrate the benefits of, and need for, orthopaedic trauma research for America's soldiers.

Orthopaedic Trauma Research Program

The AAOS and military and civilian orthopaedic surgeons and researchers are grateful that the subcommittee included language in the fiscal year 2006 Defense Appropriations Bill to create the "Orthopaedic Trauma Research Program" (OTRP) as part of the Medical Research and Material Command's (MRMC) medical research program, administered by the U.S. Army Institute of Surgical Research (USAISR) at Fort Sam Houston, Texas.

The OTRP is the first program created in the Department of Defense dedicated exclusively to funding peer-reviewed intramural and extramural orthopaedic trauma research. Having the program administered by the USAISR ensures that the research funding follows closely the research priorities laid out by the Army and the Armed Forces, and ensures collaboration between military and civilian research facilities. USAISR has extensive experience administering similar grant programs and is the only Department of Defense Research laboratory devoted solely to improving combat casualty care.

The intent of the OTRP is to foster collaboration between civilian and military orthopaedic surgeons and researchers. Civilian researchers have the expertise and resources to assist their military colleagues with the growing number of patients and musculoskeletal war wound challenges, to build a parallel research program in the military. Civilian investigators are interested in advancing the research and have stepped up to engage in these efforts, which will also provide wide ranging benefits to civilian trauma patients as well.

It is important to note that military orthopaedic surgeons, in addition to personnel at the U.S. Army Medical Research and Materiel Command, Fort Detrick, have had significant input into the creation of this program and fully support its goals. The $7.5 million awarded for OTRP in fiscal year 2006 is hopefully the beginning of a stronger focus of a core mission in the military to dedicate Department of Defense research resources to injured soldiers.

The Broad Agency Announcement (BAA) for the OTRP grants was released on February 13, 2006, and identified the following basic, transitional and clinical research funding priorities: Improved healing of segmental bone defects; improved healing of massive soft tissue defects; improved wound healing; tissue viability assessment and wound irrigation and debridement technologies; reduction in wound infection; prevention of heterotopic ossification; demographic and injury data on the modern battlefield and the long-term outcomes of casualties (i.e. joint theatre trauma registry); and improved pre-hospital care of orthopaedic injuries.

The number of full proposals submitted under this program will be up to 76 grant applications by the time they are reviewed, expected in July of this year. This number is relatively high considering the shortened time period this year for submitting pre-proposals, due by the first week in May, and considering the funding level of $7.5 million. Close to 100 pre-proposals were received for consideration, with 76 invited to compete with a full proposal. An upper limit of $500,000 has been established for any one grant, to give a reasonable number of grantees an opportunity to participate. Ordinarily grants would generally be awarded for much higher

amounts to support the research required. Larger multi-institutional studies had to limit what they were proposing.

More funding would allow for a broader scope of work and multi-institutional collaboration. The requests from these 76 proposals for year one of the grants totaled over $20 million and several grants requested funding for multiple years. USAISR expects to receive a much higher number of pre-proposals in subsequent years, when the timeline for submission will be longer, with more lead time in notification.

With orthopaedic trauma being the most common form of trauma seen in military conflicts, it is crucial that there be funding dedicated specifically to the advancement of orthopaedic trauma research. The AAOS has worked closely with the top military orthopaedic surgeons, at world-class facilities such as the U.S. Army Institute of Surgical Research, Brooke Army Medical Center, and Walter Reed Army Medical Center to identify the gaps in orthopaedic trauma research and care and the needs are overwhelming. Especially considering military trauma is not a research focus for the National Institutes of Health (NIH).

CONCLUSION

I hope that I have given you a well-rounded perspective on the extent of what orthopaedic trauma military surgeons are seeing and a glimpse into the current and future research for such trauma. Military trauma research currently being carried out at military facilities, such as WRAMC and the USAISR, and at civilian medical facilities, is vital to the health of our soldiers and to the Armed Forces' objective to return injured soldiers to full function in hopes that they can continue to be contributing soldiers and active members of society.

Mr. Chairman, the American Academy of Orthopaedic Surgeons, as well as the entire orthopaedic community, stands ready to work with this subcommittee to identify and prioritize research opportunities for the advancement of orthopaedic trauma care. Military and civilian orthopaedic surgeons and researchers are committed to advancing orthopaedic trauma research that will benefit the unfortunately high number of soldiers afflicted with such trauma and return them to full function. It is imperative that the Federal Government, when establishing its defense health research priorities in the fiscal year 2007 Defense Appropriations bill, ensure that orthopedic trauma research is a top priority.

I urge you to continue the Orthopaedic Trauma Research Program at a funding level of $25 million. While Congress funds an extensive array of medical research through the Department of Defense, with over half of military trauma being orthopaedic-related, no other type of medical research would better benefit our men and women serving in the war on terror and in future conflicts. Especially as this program is only in its infancy stage, continuity is critical to its success.

Senator INOUYE. Our next witness, Dr. Robert Recker, National Coalition for Osteoporosis and Related Bone Diseases. Dr. Recker.

STATEMENT OF DR. ROBERT RECKER, M.D., DIRECTOR, OSTEOPOROSIS RESEARCH CENTER, CREIGHTON UNIVERSITY, ON BEHALF OF THE NATIONAL COALITION FOR OSTEOPOROSIS AND RELATED BONE DISEASES

Dr. RECKER. Mr. Chairman and members of the subcommittee, I am Dr. Robert Recker, Director of the Osteoporosis Research Center at Creighton University in Omaha, Nebraska, and I am testifying on behalf of the National Coalition for Osteoporosis and Related Bone Diseases, the Bone Coalition.

The Bone Coalition is committed to research and education that reduces the impact of bone diseases. It includes the American Society for Bone and Mineral Research, the National Osteoporosis Foundation, the Osteogenesis Imperfecta Foundation, and the Paget Foundation. We appreciate this opportunity to discuss funding of the Bone Health and Military Medical Readiness Research Program within the Department of Defense.

The purpose of this program is to improve the bone health of our military personnel. Current efforts focus on eliminating stress fractures during training and deployment. Stress fractures occur in military recruits and trainees who undergo rigorous physical condi-

tioning in a brief period of time. Increases in military recruitment have led to an upsurge in stress fracture cases. In soldiers on lengthy deployments, medical dispensaries report stress fractures in unprecedented numbers.

Among new recruits, approximately 40 percent of men and 60 percent of women with stress fracture do not complete basic training. Those who do return to duty must first undergo a rehabilitation period of 80 to 120 days. Stress fractures are a significant health and financial burden, increasing training time, program costs, and time to military readiness.

It is critical that we continue to build on recent findings that have led to the following advances: one, an Army-wide physical training program with reduced running and increased resistance training, without compromising physical fitness. Studies of this new program continue.

Modifications in the physical fitness program for female Marine Corps recruits in training, without compromising physical fitness.

Animal studies showing that short-term exercise training improves material and structural properties of bone, improving fatigue resistance by 80-fold. Studies are underway in humans.

Discovery that a nonsteroidal anti-inflammatory medication slows stress fracture healing in animals. A study of these medications in humans is nearing completion.

To eliminate stress fracture in basic training, to optimize physical training and nutrition standards, and to develop practical methods to predict impending injury; expanded research is needed that will one, utilize genetic, lifestyle, and other risk factors, to establish a risk factor profile that identifies individuals at high risk for stress fracture; expand on pulmonary findings of gender differences in their response of bone to physical training; study the relationship between exercise training regimen: timing, type, volume of training, and onset of micro damage in bone; examine the impact of load bearing and muscle fatigue on bone during prolonged standing and marching; and finally, to test promising interventions that might improve bone quality prior to entry into basic training.

These studies and other DOD studies in progress will determine cost effective approaches to diagnose, prevent, and treat stress fractures, and accelerate return to duty.

Mr. Chairman and members of the subcommittee, stress fractures continue to be a critical obstacle to military readiness and deployment. It is imperative that the Department of Defense build on recent findings, and maintain an aggressive and sustained bone health and military medical readiness program. The National Coalition for Osteoporosis and Related Bone Diseases urges you to fund this program at a level of $5 million in fiscal year 2007. We appreciate the opportunity to express our concerns.

Senator INOUYE. Doctor, we assure you we will do our utmost on this one.

Dr. RECKER. Thank you.

[The statement follows:]

PREPARED STATEMENT OF ROBERT RECKER

Mr. Chairman and Members of the committee: I am Robert Recker, M.D., Director of the Osteoporosis Research Center at Creighton University in Omaha, Nebraska and I am testifying on behalf of the National Coalition for Osteoporosis and Related Bone Diseases (the Bone Coalition).

The Bone Coalition is committed to reducing the impact of bone diseases through expanded basic, clinical, epidemiological and behavioral research leading to improvement in patient care. The Coalition participants are leading national bone disease organizations—the American Society for Bone and Mineral Research, the National Osteoporosis Foundation, the Osteogenesis Imperfecta Foundation, and the Paget Foundation for Paget's Disease of Bone and Related Disorders.

We appreciate this opportunity to discuss with you the necessity for continued funding of the Bone Health and Military Medical Readiness Program within the Department of Defense.

The purpose of this small, but important, program is to improve the bone health of our military men and women. An effort currently underway is targeting the elimination of stress fractures that occur during training and deployment. Stress fracture has been a principal concern to military readiness and a major cause of low soldier retention during basic training and thereafter.

Stress fractures are usually reported in young military recruits and trainees who are subjected to rigorous physical conditioning over a relatively short period of time. According to the Bone Health and Military Medical Readiness program, recent increases in military recruitment have led to an upsurge in the number of reported stress fracture cases. An additional concern is the increased number of documented stress fractures over the last 2 years in soldiers who have recently returned from lengthy deployments. Reports from troop medical clinics indicate that these soldiers are sustaining stress fractures in unprecedented numbers.

Among new recruits, approximately 40 percent of men and 60 percent of women who sustain a stress fracture do not complete basic training. For soldiers who are able to return to duty, a rehabilitation period of 80–120 days is necessary prior to resumption of training. The high incidence of stress fractures has a marked impact on the health of recruits and imposes a significant financial burden on the U.S. Armed Forces by increasing the length of training time, program costs and time to military readiness.

It is critical that we continue to build on the promising results emanating from this research program. Recent findings have led to:

—Recommendations to implement a new Army-wide physical training program that emphasizes reduced running and increased resistance training without compromising physical fitness at the end of basic training. Studies are underway to determine the efficacy of this new program in reducing stress fracture and other overuse injuries in soldiers.

—Modifications in the physical fitness conditioning programs for female Marine Corps recruits in training, again without compromising physical fitness of trainees.

—Animal studies revealing that short-term exercise training improves both material and structural properties of bone that increase fatigue resistance by 80-fold. Studies are ongoing to determine if similar exercise programs lead to improved bone strength in humans.

—Research demonstrating that the use of a non-steroidal anti-inflammatory medication slows stress fracture healing in rats. A study to assess the effect of these commonly used medications on bone in humans is nearing completion.

To eliminate stress fracture in basic training in the military; to optimize physical training and nutrition standards for healthy young men and women; and to develop practical methods and markers to predict impending injury, expanded investigations are needed that will:

—Utilize genetic, lifestyle, and other risk factors to establish a risk factor profile that identifies individuals at high risk for stress fracture injury.

—Expand on preliminary findings that revealed gender differences in the response of bone to physical training.

—Study the relationship between exercise training regimen (timing, type and volume of training) and onset of microdamage in bone.

—Examine the impact of load bearing and/or muscle fatigue on bone strain during prolonged standing and marching activities.

—Test promising interventions that might improve bone quality prior to entry into basic training.

These studies, along with other DOD studies in progress, will determine the most cost effective approach to diagnosis and treatment of stress fracture, and accelerate

return to duty. An improved understanding of these injuries will also form the basis of potential preventive measures.

Mr. Chairman and members of the committee, stress fractures continue to be a critical obstacle to military readiness and time to deployment. Therefore, it is imperative that the Department of Defense build on recent findings and maintain an aggressive and sustained Bone Health and Military Medical Readiness program. The National Coalition for Osteoporosis and Related Bone Diseases urges you to fund this program at a level of $5 million in fiscal year 2007.

We appreciate the opportunity to testify before the committee.

Senator INOUYE. Our next witness is the President of the National Breast Cancer Coalition, Fran Visco. Ms. Visco.

STATEMENT OF FRAN VISCO, J.D., PRESIDENT, NATIONAL BREAST CANCER COALITION

Ms. VISCO. Thank you, Senator Inouye, and I want to thank you for your continued leadership and support for the DOD peer-reviewed Breast Cancer Research Program, and also of course thank Chairman Stevens and the other members of the subcommittee.

As you know, this program has been an enormous success. And I am here today as a wife, a mother, and as the head of the National Breast Cancer Coalition (NBCC). When I was 39 years old, I was diagnosed with breast cancer. My son was 14 months old. I'm fortunate, because after surgery, a very toxic treatment with lifelong side effects, I am still here today to testify to you about this extraordinary program, and on behalf of NBCC, a coalition of more than 600 member organizations, and tens of thousands of individuals.

The DOD peer-reviewed Breast Cancer Program is incredibly efficient. More than 90 percent of the funds appropriated fund research. It is unbelievably effective. It fills gaps in traditional funding mechanisms and supports new ideas. And our collaboration among the advocacy community, the worldwide scientific committee, and the United States Army, has created new models for biomedical research and for decisionmaking, that have been copied by other Army programs, by other institutions, agencies, even States and other countries.

This program has had an independent review on three separate occasions. And those reviews have stressed the unique role the program plays, that it is not duplicative, and has given incredibly high praise for the substance of the program. It is transparent. It is accountable to the public. It is—every 2 years we have an Era of Hope meeting where everything that has been funded with taxpayer dollars is reported to the public.

We are proud to be partners with the Army in this program. The women across the country, their families, their friends, their supporters, look to this program because this is where we are saving lives of breast cancer. So I want to again thank you so very much for your continued support, and I look forward to continuing our collaboration and partnership.

Thank you very much.

Senator INOUYE. I thank you very much, Ms. Visco. As you know, we will do our best.

Ms. VISCO. Yes, I know. Thank you.

[The statement follows:]

PREPARED STATEMENT OF FRAN VISCO

Thank you, Mr. Chairman and Members of the Appropriations Subcommittee on Defense, for the opportunity to talk to you about a program that has made a significant difference in the lives of women and their families. You and your committee have shown great determination and leadership in searching for answers by funding the Department of Defense (DOD) Peer-Reviewed Breast Cancer Research Program (BCRP) at a level that has brought us closer to eradicating this disease. Chairman Stevens and ranking member Inouye, we have appreciated your support of this program in the past. I am hopeful that you and your committee will continue that determination and leadership.

I am Fran Visco, a breast cancer survivor, a wife and mother, a lawyer, and President of the National Breast Cancer Coalition (NBCC). On behalf of NBCC, and the more than 3 million women living with breast cancer, I would like to thank you again for the opportunity to testify. As you know, the National Breast Cancer Coalition is a grassroots advocacy organization made up of hundreds of organizations and tens of thousands of individuals and has been working since 1991 toward the eradication of breast cancer through advocacy and action. NBCC supports increased funding for breast cancer research, increased access to quality health care for all women, and increased influence of breast cancer activists at every table where decisions regarding breast cancer are made. That is why this program is so important in the fight against this disease.

Much of the progress toward ending breast cancer has been made possible by the Appropriations Committee's investment in breast cancer research through the DOD BCRP. This program has launched new models of biomedical research that have benefited other agencies and both public and private institutions. It has changed for the better the way research is performed and has been replicated by programs focused on other diseases, by other countries and individual States. To support this unprecedented progress moving forward, we ask that you support a separate, $150 million appropriation for fiscal year 2007. In order to continue the success of this program, you must ensure that it maintains its integrity and separate identity, in addition to the requested level of funding. This is important not just for breast cancer, but also for all biomedical research that has benefited from this incredible government program. In addition, as an Institute of Medicine (IOM) report concluded in 2004, there continues to be excellent science that goes unfunded, but for this program. It is only through a separate appropriation that this program is able to continue to focus on breast cancer yet impact all other research, rapidly respond to changes and new discoveries in the field and fill the gaps created by traditional funding mechanisms.

Despite the enormous successes and advancements in breast cancer research made through funding from the DOD BCRP, we still do not know what causes breast cancer, how to prevent it, or how to cure it. It is critical that innovative research through this unique program continues so that we can move forward toward eradicating this disease.

OVERVIEW OF THE DOD BREAST CANCER RESEARCH PROGRAM

The DOD Peer-Reviewed Breast Cancer Research Program has established itself as model medical research program, respected throughout the cancer and broader medical community for its innovative and accountable approach. The groundbreaking research performed through the program has the potential to benefit not just breast cancer, but all cancers, as well as other diseases. Biomedical research is being transformed by the BCRP's success.

This program is both innovative and incredibly streamlined. It continues to be overseen by a group of distinguished scientists and activists, as recommended by the IOM. Because there is little bureaucracy, the program is able to respond quickly to what is currently happening in the scientific community. Because of its specific focus on breast cancer, it is able to rapidly support innovative proposals that reflect the most recent discoveries in the field. It is responsive, not just to the scientific community, but also to the public.

Since its inception, this program has matured from an isolated research program to a broad-reaching influential voice forging new and innovative directions for breast cancer research and science. The flexibility of the program has allowed the Army to administer this groundbreaking research effort with unparalleled efficiency and effectiveness.

In addition, an integral part of this program has been the inclusion of consumer advocates at every level. As a result, the program has created an unprecedented working relationship between the public, scientists and the military, and ultimately has led to new avenues of research in breast cancer. Since 1992, over 400 breast

cancer survivors have served on the BCRP review panels. Their vital role in the success of the BCRP has led to consumer inclusion in other biomedical research programs at DOD. This program now serves as an international model.

It is important to note that the DOD Integration Panel that designs this program has a plan of how best to spend the funds appropriated. This plan is based on the state of the science—both what scientists know now and the gaps in our knowledge—as well as the needs of the public. This plan coincides with our philosophy that we do not want to restrict scientific freedom, creativity or innovation. While we carefully allocate these resources, we do not want to predetermine the specific research areas to be addressed.

UNIQUE FUNDING OPPORTUNITIES

Developments in the past few years have begun to offer breast cancer researchers fascinating insights into the science of breast cancer and have brought into sharp focus the areas of research that hold promise and will build on the knowledge and investment we have made. The Innovative Developmental and Exploratory Awards (IDEA) grants of the DOD program have been critical in the effort to respond to new discoveries and to encourage and support innovative, risk-taking research. The IDEA grants have been instrumental in the development of promising breast cancer research. These grants have allowed scientists to explore beyond the realm of traditional research and have unleashed incredible new ideas and concepts. IDEA grants are uniquely designed to dramatically advance our knowledge in areas that offer the greatest potential.

IDEA grants are precisely the type of grants that rarely receive funding through more traditional programs such as the National Institutes of Health, and private research programs. Therefore, they complement, and do not duplicate, other federal funding programs. This is true of other DOD award mechanisms as well.

For example, the Innovator awards are structured to invest in world renowned, outstanding individuals, rather than projects, from any field of study by providing funding and freedom to pursue highly creative, potentially breakthrough research that could ultimately accelerate the eradication of breast cancer. The Era of Hope Scholar is intended to support the formation of the next generation of leaders in breast cancer research, by identifying the best and brightest independent scientists early in their careers and giving them the necessary resources to pursue a highly innovative vision toward ending breast cancer.

Also, Historically Black Colleges and Minority Universities/Minority Institutions Partnership Awards are intended to provide assistance at an institutional level. The major goal of this award is to support collaboration between multiple investigators at an applicant Minority Institution and a collaborating institution with an established program in breast cancer research, for the purpose of creating an environment that would foster breast cancer research, and in which Minority Institution faculty would receive training toward establishing successful breast cancer research programs.

These are just a few examples of innovative approaches at the DOD BCRP that are filling gaps in breast cancer research. It is vital that these grants are able to continue to support interest in breast cancer research—$150 million for peer-reviewed research will help sustain the program's momentum.

The DOD BCRP also focuses on moving research from the bench to the bedside. A major feature of the awards offered by the BCRP is that they are designed to fill niches that are not offered by other agencies. The BCRP considers translational research to be the application of well-founded laboratory or other pre-clinical insight into a clinical trial. To enhance this critical area of research, several research opportunities have been offered. Clinical Translational Research awards have been awarded for investigator-initiated projects that involve a clinical trial within the lifetime of the award. The BCRP expanded its emphasis on translational research by offering five different types of awards that support work at the critical juncture between laboratory research and bedside applications.

The Centers of Excellence awards mechanism brings together the world's most highly qualified individuals and institutions to address a major overarching question in breast cancer research that could make a major contribution towards the eradication of breast cancer. These centers put to work the expertise of basic, epidemiology and clinical researchers, as well as consumer advocates to focus on a major question in breast cancer research. Many of these centers are working on questions that will translate into direct clinical applications.

SCIENTIFIC ACHIEVEMENTS

The BCRP research portfolio is comprised of many different types of projects, including support for innovative ideas, infrastructure building to facilitate clinical trials, and training breast cancer researchers.

A groundbreaking outcome of research funded by the BCRP was the development of Herceptin, a drug that prolongs the lives of women with a particularly aggressive type of advanced breast cancer; and has been shown in recent studies to decrease relapses in women with this type of breast cancer, which constitute about 25 percent of those diagnosed. This drug could not have been developed without first researching and understanding the gene known as HER–2/neu, which is involved in the progression of some breast cancers. Researchers found that over-expression of HER–2/neu in breast cancer cells results in very aggressive biologic behavior. Most importantly, the same researchers demonstrated that an antibody directed against HER–2/neu could slow the growth of the cancer cells that over-expressed the gene. This research, which led to the development of the drug Herceptin, was made possible in part by a DOD BCRP-funded infrastructure grant. Other researchers funded by the BCRP are currently working to identify similar kinds of genes that are involved in the initiation and progression of cancer. They hope to develop new drugs like Herceptin that can fight the growth of breast cancer cells.

Another example of success from the program is a study of sentinel lymph nodes (SLNs). This study confirmed that SLNs are indicators of metastatic progression of disease. The resulting knowledge from this study and others has lead to a standard of care that includes lymph node biopsies. If the first lymph node is negative for cancer cells, then it is unnecessary to remove all the lymph nodes. This helps prevent lymphodema, which can be painful and have lasting complications.

Those are just two example of success stories come out of the DOD BCRP. In addition, there are still other studies in earlier stages of research coming out of the program that could lead to important breakthroughs in our knowledge of the disease, as well as how to treat it. For example, some studies are using advances in gene expression profiling technologies to allow them to identify breast cancer "types". Researchers have found that there are different kinds of breast cancer, each responding differently to different treatments. The recognition that breast cancer is a heterogeneous disease will allow for more targeted therapies and better selection of patient subgroups for clinical trials.

Finally, some studies are using nanotechnology to identify the location and size of a cancerous tumor. In addition, that same technology is being studied to determine whether it is possible to deliver treatment directly to the tumor and destroying it, but leaving other, non-cancerous tissue in tact.

FEDERAL MONEY WELL SPENT

The DOD BCRP is as efficient as it is innovative. In fact, 90 percent of funds go directly to research grants. The flexibility of the program allows the Army to administer it in such a way as to maximize its limited resources. The program is able to quickly respond to current scientific advances, and fulfills an important niche by focusing on research that is traditionally under funded. This was confirmed and reiterated in an IOM report released in 2004. It is responsive to the scientific community and to the public. This is evidenced by the inclusion of consumer advocates at both the peer and programmatic review levels. The consumer perspective helps the scientists understand how the research will affect the community, and allows for funding decisions based on the concerns and needs of patients and the medical community.

Since 1992, the BCRP has been responsible for managing $1.81 billion in appropriations. From its inception through fiscal year 2004, 4,293 awards at over 420 institutions throughout the United States and the District of Columbia have been awarded. Approximately 150 awards will be granted for fiscal year 2005. The areas of focus of the DOD BCRP span a broad spectrum and include basic, clinical, behavioral, epidemiology, and alternative therapy studies, to name a few. The BCRP benefits women and their families by maximizing resources and filling in the gaps in breast cancer research. Scientific achievements that are the direct result of the DOD BCRP grants are undoubtedly moving us closer to eradicating breast cancer.

The outcomes of the BCRP-funded research can be gauged, in part, by the number of publications, abstracts/presentations, and patents/licensures reported by awardees. To date, there have been more than 9,500 publications in scientific journals, more than 9,600 abstracts and more than 300 patents/licensure applications. The Federal Government can truly be proud of its investment in the DOD BCRP.

INDEPENDENT ASSESSMENTS OF PROGRAM SUCCESS

The National Breast Cancer Coalition has been the driving force behind this program for many years. The success of the DOD Peer-Reviewed Breast Cancer Research Program has been illustrated by several unique assessments of the program. The IOM, which originally recommended the structure for the program, independently re-examined the program in a report published in 1997. They published another report on the program in 2004. Their findings overwhelmingly encouraged the continuation of the program and offered guidance for program implementation improvements.

The 1997 IOM review of the DOD Peer-Review Breast Cancer Research Program commended the program and stated that, "the program fills a unique niche among public and private funding sources for cancer research. It is not duplicative of other programs and is a promising vehicle for forging new ideas and scientific breakthroughs in the Nation's fight against breast cancer." The IOM report recommended continuing the program and established a solid direction for the next phase of the program. The 2004 report reiterated these same statements and indicated that is important for the program to continue. It is imperative that Congress recognizes the independent evaluations of the DOD Breast Cancer Research Program, as well as reiterates its own commitment to the program by appropriating the funding needed to ensure its success.

The DOD Peer-Reviewed Breast Cancer Research Program not only provides a funding mechanism for high-risk, high-return research, but also reports the results of this research to the American people at a biennial public meeting called the Era of Hope. The 1997 meeting was the first time a federally funded program reported back to the public in detail not only on the funds used, but also on the research undertaken, the knowledge gained from that research and future directions to be pursued. The transparency of the BCRP allows scientists, consumers and the American public to see the exceptional progress made in breast cancer research.

At the 2005 Era of Hope meeting, all BCRP award recipients from the past 2 years were invited to report their research findings, and many awardees from previous years were asked to present advancements in their research. Themes for the 2005 meeting included: Understanding Risk—A Different Perspective; Understanding Who Needs Intervention and Understanding Treatments—Effectively Treating Primary and Metastatic Disease. Researchers presented their research on many important topics ranging from the development of new techniques for detecting breast cancer to identifying and destroying progenitor breast cancer cells to determining ways to stop tumor growth by preventing angiogenesis to applying new models for developing and implementing communications strategies in order to enhance decision making and improve quality of life for breast cancer patients.

The DOD Peer-Reviewed Breast Cancer Research Program has attracted scientists across a broad spectrum of disciplines, launched new mechanisms for research and has continued to facilitate new thinking in breast cancer research and research in general. A report on all research that has been funded through the DOD BCRP is available to the public. Individuals can go to the Department of Defense website and look at the abstracts for each proposal at http://cdmrp.army.mil/bcrp/.

COMMITMENT OF THE NATIONAL BREAST CANCER COALITION

The National Breast Cancer Coalition is strongly committed to the DOD program in every aspect, as we truly believe it is one of our best chances for finding cures and preventions for breast cancer. The coalition and its members are dedicated to working with you to ensure the continuation of funding for this program at a level that allows this research to forge ahead.

Over the years, our members have showed their continuing support for this program through petition campaigns, collecting more than 2.6 million signatures, and through their advocacy on an almost daily basis through the country asking for support of the DOD BCRP.

As you know, there are 3 million women living with breast cancer in this country today. This year more than 40,000 will die of the disease and nearly 220,000 will be diagnosed. We still do not know how to prevent breast cancer, how to diagnose it truly early or how to cure it. While the mortality rate seems to be decreasing, it is not by much and it is not for all groups of women. The incidence of breast cancer continues to rise. It is an incredibly complex disease. We simply cannot afford to walk away from these facts, we cannot go back to the traditional, tried and not so true ways of dealing with breast cancer. We must, we simply must, continue the innovative, rapid, hopeful approach that is the DOD BCRP.

Just a few weeks ago, many of the women and family members who supported the campaign to gather the 2.6 million signatures came to NBCCF's Annual Advocacy Training Conference here in Washington, D.C. More than 600 breast cancer activists from across the country, representing groups in their communities and speaking on behalf of tens of thousands of others, joined us in continuing to mobilize our efforts to end breast cancer. The overwhelming interest in, and dedication to eradicate this disease continues to be evident as people not only are signing petitions, but were willing to come to Washington, D.C. from across the country to tell their Members of Congress about the vital importance of continuing the DOD BCRP.

Since the very beginning of this program in 1992, Congress has stood with us in support of this important investment in the fight against breast cancer. In the years since, Mr. Chairman, you and this entire committee have been leaders in the effort to continue this innovative investment in breast cancer research.

NBCC asks you, the Defense Appropriations Subcommittee, to recognize the importance of what you have initiated. You have set in motion an innovative and highly efficient approach to fighting the breast cancer epidemic. What you must do now is support this effort by funding the program at $150 million and maintaining its integrity. This is research that will help us win this very real and devastating war against a cruel enemy.

Thank you again for the opportunity to testify and for giving hope to the 3 million women in the United States living with breast cancer.

Senator INOUYE. Our next witness is Rear Admiral Casey Coane, the United States Navy Executive Director of the Naval Reserve Association. Admiral.

STATEMENT OF REAR ADMIRAL CASEY COANE, UNITED STATES NAVY (RETIRED), EXECUTIVE DIRECTOR, NAVAL RESERVE ASSOCIATION

Admiral COANE. Senator Inouye, on behalf of the 22,000 members of the Naval Reserve Association and the 70,000 serving Navy reservists, I want to thank you and the entire subcommittee for your continued unwavering support of our Navy, Navy Reserve, Navy veterans, and their families. We are grateful for the opportunity to submit testimony, and for your efforts in this hearing.

Your willingness to address and correct issues facing Reservists affirms their value to the defense of our great Nation. Your willingness to look at issues related to the use of the Reserve on the basis of national security and homeland defense is very important.

In the interest of time, I will depart from our written testimony and get straight to the point. I will raise two broad issues, and then get to Navy Reserve equipment.

First, we see a trend developing whereby the Active components are taking Guard and Reserve equipment from those units in order to replace shortfalls on the active ledger. The long war is using up mechanized equipment and flying years off of our aircraft of all types. We do not see a plan within DOD for the replacement of this equipment. The subcommittee is certainly aware of that within Navy, all Navy Reserve squadrons are being decommissioned—that is Navy Reserve patrol squadrons—are being decommissioned, and their aircraft have already been transferred to the Active squadron. The same thing is happening now with our Navy Reserve FA–18 squadrons, including VFA–201 in Dallas, which was mobilized and carried out some of the very first strikes as Operation Iraqi Freedom began. Navy Reserve combat support helicopter squadrons HCS–4 and –5 have had detachments in Baghdad for over 3 years straight. They are set to merge with three other Reserve squadrons, with the result being that what was once five will become three, with three squadrons' worth of aircraft.

All this is being accomplished under the banner of integration. We believe it is a fiscal decision, not a national readiness decision. Second, Guardsmen and Reservists need equipment on which to train. It is what motivates them and brings them to the table. It is what allows our country to maintain the reservoir of combat skill sets that enable the VFA 201 to respond to the call, and out perform every other squadron in its air wing.

History tells us that when that squadron decommissions, the vast majority of its reservists will leave the service, those hard-earned combat skills lost to the country forever. Now, the Navy Reserve does have an unfunded list this year. Greater Navy chose not to put any of those items on its unfunded list. The Navy had begun to buy C–40 aircraft to replace its rapidly aging DC–9's. Boeing has made a very attractive accelerated purchase offer to the Navy, which would save the taxpayers millions of dollars.

All Navy airlift is in the Reserve component. And if the C–9s are not replaced, the Navy will lose the capability that it has argued for years that it must have. We particularly urge the subcommittee to fund these aircraft, at least two of them, this year.

For years, the Navy Reserve has been the Navy leader in port security in the brown water Navy. The Reserve tactical vehicles and communications gear is aging and needs replacement now. The Navy has just stood up its new Riverine Squadron, and while the second squadron is to be a Reserve squadron, the Reserve piece is not in the program objective memorandum (POM). We urge the subcommittee to fund this squadron.

We also ask the subcommittee to address the other items on the Navy unfunded list, and ensure that reservists continue to have equipment on which to train.

We thank you for your time.

Senator INOUYE. Admiral, I thank you very much, and I'm certain the chairman joins me. We will do our very best, sir.

Admiral COANE. Thank you, sir.

[The statement follows:]

PREPARED STATEMENT OF REAR ADMIRAL CASEY COANE

THE NAVY RESERVE ASSOCIATION

Chairman Stevens, Senator Inouye and distinguished Members of the subcommittee: The Naval Reserve Association thanks you and the entire subcommittee for your continued, unwavering support of our Navy Reserve, Navy Active Duty, retired members, and veterans of the uniformed services, to include their families and survivors.

On behalf of our 22,000 members, and in advocacy for the 72,000 active Naval Reservists and the interest of all Guard and Reserve personnel, we are grateful for the opportunity to submit testimony, and for your efforts in this hearing. Your willingness to address and correct issues facing Reservists affirms their value to the defense of our great Nation. Your willingness to look at issues related to the use of the Reserve on the basis of national security sets the Legislative Branch apart from the Executive Branch which seemingly develops its positions on the basis of cost.

We hope that many of these equipment issues will be addressed by the Commission on the Guard and Reserve. We look forward to that body giving Congress and the administration a holistic view of the myriad issues facing today's Guard and Reserve but, as you know, they have just begun their review.

NAVY RESERVE EQUIPMENT

That said, there are equipment issues that need to be addressed by this committee and this Congress, now. As you know, DOD and the services have not pro-

vided all necessary hardware for the Guard and Reserve forces throughout recent history. The Senate has led the way in providing the right equipment at the right time for our Guard and Reserve forces, and especially for the Navy Reserve force.

It is imperative that at this time you recognize that in transforming and rebalancing the Navy Reserve, Navy has made a decision to disestablish Navy Reserve hardware units. We believe this is based solely on budgetary reasons, since no vision of the Navy Reserve exists for review.

To put this in perspective, in 2003 the Chief of Naval Reserve testified before this committee that he needed a variety of additions and upgrades to Reserve equipment. In 2004 a different chief testified before this committee and while he thanked the committee for the 2004 National Guard and Reserve equipment appropriation; he made no further request for equipment or upgrades to equipment. He did tout the extraordinary performance of Strike Fighter Squadron 201 which had been mobilized aboard *Theodore Roosevelt* and Helicopter Combat Support Squadrons 4 and 5 for their deployments to Iraq.

These were the first Navy Reserve squadron fighter and helicopter squadron call-ups since Korea and, as was testified to by their Chief of Navy Reserve, they performed superbly—better than other air wing squadrons in the case of VFA–201. HCS–4 and 5 have no Active Component counterparts but performed equally well. These deployments validated the wisdom of having assets in reserve that the country could call upon. Today those same squadrons are scheduled to be decommissioned!

Within the last 5 years, Navy, has disestablished—60 percent of the Navy Air Reserve force, with most of the remaining force on the books to disestablish. 33 percent of the Navy Surface Reserve force has been lost. This has occurred in a time of increased usage of Reservists by the Navy. Some of these units are described as excess, yet they have proven the wisdom of having them available.

While it may be understandable that Navy has the right to shape the force, it seems to me that for the tax payers—the Navy Reserve hardware units are a fantastic buy for the tax payer's dollar. They cost one-third less, and provide surge capabilities when called. VFA–201 is serving as the Navy's surge ready fighter/attack squadron at this time. And, they do respond when called. VFA–201 (Texas), HSC 4–5 (California, Virginia), Naval Coastal Warfare (nationwide), Seabees (nationwide), ELF (nationwide), and VR (nationwide)—are just some examples of Naval Reservist doing what the country needs and wants—when we need and want them! Yet—Navy is well on the way to disestablishing all air assets for budgetary reasons. We believe you must provide for these capabilities, and maintain these capabilities that are being utilized, are needed, and do respond to our national security requirements and to our national homeland defense requirements.

The recent QDR indicates a continued requirement for our Armed Forces to be engaged worldwide. To meet the national security strategy, the homeland security strategy and to ensure that our country meets the emerging threats of the long war and global war on terrorism it is evident that we will need the Navy Reserve well into the 21st Century to meet world wide threats. We are activating these citizen sailors today for OIF, OEF, and worldwide GWOT operations. I hasten to add that when concerns are raised by our association we are often accused of living in the past; of not understanding the newly-integrated Navy Reserve mission. It is not the past that concerns us but the unpredictability of the future and future military requirements.

The Senate has frequently reminded DOD that they do not plan well for the next war. That is why we have maintained assets and skills in a Reserve force—because we can't predict accurately. The Navy now seems bent on a Reserve force that functions only as a day to day operational manpower pool. We have strong reservations that going forward this will not provide surge capability nor will it result in the retention of skill sets that are maintained today because Reservists have their own equipment on which to train.

Within the units that the Navy says it will retain, there are significant Navy Reserve equipment shortages that need your attention. The following items are both necessary and affordable for the country, in this time of increased utilization and requirements as forecast by the QDR.

C–40A.—Navy Reserve transport squadrons provide 100 percent of the Navy's intra theater logistic requirements. The C–40 will replace aging and expensive C–9B aircraft. Boeing has made significant accelerated purchase offers to the Navy at great savings to the taxpayer. We urge you to fund these aircraft, and to provide resources for two (2) C–40s this year.

Naval Coastal Warfare Equipment.—The Navy Reserve has been the leader in port security and the brown-water Navy. These units have existed in the Navy Reserve for sometime. Their equipment is ageing and needs replacement. They sup-

plied initial response during 9/11, and have responded to our Nations call for OIF and OEF. As the Active component moves into addressing the brown water Navy requirements—we have to keep the Navy Reserve fully equipped with reliable tactical vehicles, communications equipment, and combat support equipment.

Naval Expeditionary Equipment.—The Navy Reserve expeditionary forces are actively and constantly engaged in OIF and OEF. They are an integral part of the Defense Department's homeland defense strategy. Tactical vehicles and small arms simulators are critically needed to make sure Navy Reservist are effectively and efficiently trained for deployments.

The Naval Reserve Association asks that you provide committee language to cease disestablishment of Navy Reserve hardware units, maintain and fund hardware units in the Navy Reserve before the capabilities are cut, and that you fund the three critical equipment shortages listed.

OTHER CRITICAL NAVY RESERVE, GUARD AND RESERVE PROGRAMS REQUIREMENTS

End Strength

The NRA would like to also put a freeze on reductions to the Guard and Reserve manning levels. With the Commission on the Guard and Reserve now active, it makes sense to put a moratorium on changes to end strength until after they report back to Congress with recommendations. NRA urges this subcommittee to fund end strength for Navy Reserve to last year's levels.

Survivor Benefits Pan (SBP) and Survivor Improvement

The Naval Reserve Association thanks this subcommittee for your funding of improvements in the myriad of survivor programs. However, there are still two remaining issues to deal with to make SBP the program Congress always intended it to be:

—Ending the SBP/DIC offset and

—Moving up the effective date for paid up SBP to October 1, 2006.

SBP is a purchased annuity. It is an earned employee benefit. It is a retirement plan for the surviving spouse. Dependency Indemnification Compensation's (DIC) is an indemnity program to compensate a family for the loss of a loved one due to his or her military service. They are different programs created to fill different purposes and needs.

SBP/DIC Offset affects several groups.

—The first is the family of a retired member of the uniformed services. At this time the SBP annuity he or she has paid for is offset dollar for dollar for the DIC survivor benefits paid through the VA. This puts a disabled retiree in an unfortunate position. If death is service connected then the survivor looses dollar for dollar for what the DIC pays.

—A second group affected by this dollar for dollar offset is made up of families whose servicemember died on Active Duty. Recently Congress created Active Duty SBP. These servicemembers never had the chance to pay into the SBP program. But clearly Congress intended to give these families a benefit. With the present off-set in place the vast majority of families receive no benefit from this new program, because the vast number of our losses are young men or women in the lower paying ranks. SBP is completely offset by DIC payments.

—Other affected families are servicemembers who have already served a substantial time in the military. Their surviving spouse is left in a worse financial position that a younger widow. The older widow's will normally not be receiving benefits for her children from either Social Security or the VA and will normally have more substantial financial obligations. This spouse is very dependent on the SBP and DIC payments and should be able to receive both.

Thirty Year Paid Up SBP.—In the fiscal year 1999 Defense Authorization Act Congress created a simple and fair paid up provision for the Survivor Benefit Plan. A member who had paid into the program for 30 years and reached the age of 70 could stop paying premiums and still have the full protection of the plan for his or her spouse. Except that the effective date of this provision is October 1, 2008. Many have been paying for as long as 34 years.

The Naval Reserve Association respectfully requests this subcommittee fund the SBP/DIC offset and 30 year paid-up SBP if authorized.

Full Funding for the Defense Health Programs

The Naval Reserve Association thanks the subcommittee's role in providing adequate funding for the Defense Health Program (DHP) in the past several budget cycles. As the cost of health care has risen throughout the country, you have provided adequate increases to the DHP to keep pace.

This is again one of our membership's top priorities. With the additional costs that have come with the deployments to Southwest Asia, Afghanistan and Iraq, we must all stay vigilant against future budgetary shortfalls that would damage the quality and availability of health care.

With the authorizers having postponed the Department of Defenses suggested fee increases, NRA is concerned that the budget saving have already been adjusted out of the President's proposed budget. We ask this subcommittee to continue to fund the DHP so that there will be no budget shortfalls.

The Naval Reserve Association urges the subcommittee to continue to ensure full funding for the Defense Health Program including the full costs of all new TRICARE Reserve Select programs.

MGIG–SR Enhancements

The Department of the Navy has changed requirements for enlisted to advancement. Future enlisted leaders will be required to have associate and bachelor degrees in order to advance. This requirement will apply to Navy Reservists and will be difficult to obtain. This makes the Montgomery G.I. Bill for Selective Reserves (MGIB–SR) an important recruiting and retention tool as well as mandatory for those currently serving. With massive rotations the Reserve forces can expect to have retention shortfalls, unless the government provides incentives such as a college education. Education is not only a quality of life issue or a recruiting/retention issue it is also a readiness issue. Education a Reservist receives enhances their careers and usefulness to the military. The ever-growing complexity of weapons systems and support equipment requires a force with far higher education and aptitude than in previous years.

The problem with the current MGIB–SR is that the Selected Reserve MGIB has failed to maintain a creditable rate of benefits with those authorized in Title 38, Chapter 30. Other than cost-of-living increases, only two improvements in benefits have been legislated since 1985. In that year MGIB rates were established at 47 percent of active duty benefits. The current MGIB–SR rate is 27 percent of the Chapter 30 benefits. Overall the allowance has inched up by only 7 percent since its inception, as the cost of education has climbed significantly.

The NRA requests appropriations funding to raise the MGIB–SR and lock the rate at 50 percent of the Active Duty benefit.

The Naval Reserve Association is fully appreciative of the subcommittee's actions and concerns for the health and welfare of our service personnel and their families. Therefore, we hope that this subcommittee can further advance these suggestions in this committee. We are very grateful for the opportunity to submit these issues of crucial concern to our collective memberships.

I thank the committee for consideration of these equipment and manpower requirements that greatly impact our Active Duty and Reserve Component programs to assist the Navy Reserve in an age of increased sacrifice and utilization of these forces.

Senator INOUYE. Our next witness is the President of the Morris Heritage Foundation, Robert V. Morris.

STATEMENT OF ROBERT V. MORRIS, PRESIDENT, MORRIS HERITAGE FOUNDATION, INC.

Mr. MORRIS. Thank you, Senator Inouye, and it is certainly nice to see you again.

The historic educational recognition opportunity—HERO—pilot program is critical to the future of America's armed forces and the long-term defense of our Nation. HERO seeks to stimulate the learning environment of America's diverse teenage population with accurate portrayals of black and female contributions to military history and their impact on equal opportunity in greater society. This youth education will enhance their understanding of and support for America's armed forces leading to escalating enlistment in the face of sharp declines, and of the long-term educational and socioeconomic benefits of military service.

The number of blacks and females enlisting in America's armed forces has been in steady decline, reaching 40 percent for blacks over the past 5 years while black high school dropout, unemploy-

ment, and incarceration rates continue to increase. Black Army troops declined from 23.5 percent in fiscal year 2000 to 14 percent in fiscal year 2005, with females sliding from 22 to 17 percent over the same period. Contributing factors such as an improving economy, increased college enrollments, and fear of combat death in Iraq and Afghanistan, are shrinking black and female enlistment levels.

In a rapidly expanding war against terrorism and aggression, direct and long-term action is needed to reverse this trend and revive black and female interest in military service. According to recruiters, respect for and knowledge of military service within a recruit's family, race, or gender, are proven determinants of enlistment, and current recruitment efforts are not going far enough.

The HERO pilot program will create multicultural non-sexist academic lessons promoting the racial and gender equality legacy of the American military in the spirit of our patriarch, Lieutenant James B. Morris, who graduated the first Army black officers candidate class at Fort Des Moines in 1917, and led the U.S. Army 92d division, 366th infantry, in World War I France in 1918.

The 5-year pilot program funding will be replaced by long-term private sector support and will initially target six public school districts of various sizes and geographic areas. The success of the bipartisan HERO pilot program will allow expansion to other minority groups in the future to invigorate the military enlistment pool for years to come.

The HERO pilot program has been affirmatively reviewed by the U.S. Army recruiting command and consulting educators at the University of Iowa and U.S. Military Academy, among others. HERO has also been personally reviewed and acknowledged by a number of prominent military leaders and educators, including former Secretary of State General Colin Powell, and Major General Thomas Bostic, the Commander of the U.S. Army Recruiting Command.

With this testimony, we request a $3.25 million appropriation for the HERO pilot program as a direct grant through the U.S. Army operations and maintenance funding.

Thank you very much.

Senator INOUYE. I thank you, sir. Would you care to have this pamphlet made part of the record?

Mr. MORRIS. Yes.

Senator INOUYE. Without objection, so ordered.

Mr. MORRIS. Thank you.

Senator INOUYE. And I thank you, sir.

[The information follows:]

HISTORIC EDUCATIONAL RECOGNITION OPPORTUNITY (HERO) PILOT PROGRAM 2006

THE MISSION

To win the hearts and minds of American's diverse teenage population with an accurate portrayal of black and female contributions to military history and their impact on equality in greater society through a consulting relationship with two legendary educational institutions. This youth education will stimulate their understanding of and support for America's Armed Forces leading to escalating enlistments in the face of sharp declines and of the long-term educational and socio-economic benefits of military service.

THE PROJECT

With youth education a primary goal of the Morris Heritage Foundation, Inc. (MHF), and in consultation with the University of Iowa and the United States Military Academy, we are creating multi-cultural, non-sexist academic lessons promoting the racial and gender equality history of the U.S. military in the spirit of our founders. The target audience for the lessons will be black and female youth who possess a limited historical knowledge of multi-cultural military contributions to the Nation. Initial public funding for the program will be replaced with long-term private sector support through success and exposure. This pilot program will target public school districts in six (6) target States representing diverse geographic and population characteristics. Pilot program success will key expansion to include other minority groups including Hispanic, Native, Asian and Pacific Islander. The HERO program is bi-partisan and non-political regarding any current issues or events.

THE ORGANIZATION

MHF is an educational not-for-profit (IRS 501c3) organization based in Des Moines, Iowa founded in 2004. Our patriarch, Lt. James B. Morris, Sr., (1890–1977) graduated the Army's first black officer candidate class at Fort Des Moines, Iowa on October 15, 1917 and served with the American Expeditionary Force 3rd Battalion, 92nd Division, 366th Infantry on the battlefields of WWI France where he survived two combat wounds in 1918. He returned to Iowa in 1919 where he began a legendary career as lawyer, educator and publisher of the oldest black newspaper west of the Mississippi River while co-founding the National Bar Association (NBA) in 1925 and the National Newspaper Publishers Association (NNPA) in 1940. His son, Captain James B. Morris, Jr. (1919–1976) served with the 6th Army in the WWII South Pacific where he won 4 bronze star medals of valor with an integrated intelligence unit within a racially segregated Army. His youngest son and MHF president Robert V. Morris created the $10 million Fort Des Moines Memorial Park to honor the original black officer class 1997 and chronicled Morris military achievements in Tradition And Valor: A Family Journey (Sunflower Press 1999). Fort Des Moines was also the birthplace of the WWII Women's Army Auxiliary Corps (WAAC) in 1942.

THE PROBLEM: BLACK AND FEMALE ENLISTMENT DECLINE

The number of blacks and females enlisting in America's Armed Forces has been in steady decline reaching forty percent over the past 5 years while black high school drop outs, unemployment and incarceration rates continue to increase. Black Army troops have declined from 23.5 percent in fiscal year 2000 to less than 14 percent in fiscal year 2005 with females sliding from 22 percent to 17 percent over the same period. Questionable factors including an improving economy, increased college enrollment, long-term engagements and fear of combat deaths particularly in Iraq are pushing black troop levels toward general population levels of 12 percent. In a rapidly expanding war against terrorism and aggression, direct action is needed to reverse this trend and revive black and female interest in military service. According to recruiters, respect for and knowledge of military service within a recruit's family, race or gender have long been key determinants of potential military service. These factors are the direct target of the HERO program.

THE CURRICULUM

To implement the program, 40 lessons will be developed which focus upon the stories and ideals representative of racial and gender equality in the Armed Forces and greater society. The lessons will focus upon the backgrounds, goals, motivations and achievements of black and female troops throughout history. Other lessons will present the social contexts of race and gender by defining the status and roles of blacks and women in America during the first half of the 20th century so the uniqueness and far-sightedness of the military can be appreciated. Twenty lessons will be created for upper-elementary or middle school students and 20 for high school students taking United States History during their sophomore and junior years. At each level, the curriculum will also be adult friendly. Besides content and appeal, the lessons will share the following qualities:

Self-Contained.—Because most teachers are severely overworked and have little time to research and develop quality lessons themselves, each lesson will be self-contained so that teachers will have all the materials and directions needed to implement the lesson in their classroom whether it be in a large city or small, isolated rural community.

Interactive Nature.—Every lesson will include interactive materials of high interest to students. For example, a lesson about the traits and backgrounds of those who entered the black officers training program at Fort Des Moines in 1917 will direct students to existing data bases in order to develop hypotheses about the socioeconomic characteristics of those attracted to the program. Another lesson could do the same on the women of the WAC.

Diverse Learning.—In order to broaden the appeal and use of lessons they will appeal to diverse learning styles and abilities. For example, students who learns hands-on will use gaming programs in the lessons which present problems such as issues of racial and gender discrimination while younger learners deal with how to survive boot camp in which both groups develop strategies for overcoming the obstacles.

Primary Source Materials.—Drawing from the MHF data base, the lessons will include primary source materials including reproduced letters, photos, film clips, training manuals, newspaper articles and other documents. Not only will students use primary sources as essential components of the lessons, but will the MHF data base and other sources.

Independent Nature.—One problem teachers of history and social sciences experience is the dilemma of too much material and too little time to teach it which discourages teachers from using materials which do not fit the learning objectives of courses they teach.

Independent Study.—All lessons will be linked to an "independent study" strand utilizing the data base so that students (and adults) individually may work the lessons without teacher assistance.

Internet Distribution.—Lessons will be made available to teachers, students and adults via MHF website and other curriculum distribution sites. This is essential because printed lessons are often lost or discarded making them unavailable to new teachers of the subjects.

Teacher Guide.—Each lesson will include a teacher guide, student pages, related research and primary sources and internet links to other sites. The Internet pages will be exciting, youth friendly, and will include animation and simulations. It is estimated that each lesson will require approximately 15 internet pages, so the entire project will require over 600 new pages on the website.

CURRICULUM DISTRIBUTION METHODS

In order to market the lessons to school districts and teaching professionals, project staff will conduct workshops at selected teacher conferences and market the program through educational like the Association of Supervision and Curriculum Development and the National Middle School Association. In addition, our staff will utilize existing educational distribution sources like Scholastic, Channel One and AOL@SCHOOL and link to key websites.

TELEVISION PRODUCTION

MHF will produce five (5) high definition (HD) television documentaries of 28:00 in length which will be broken into 14:00 shorts for classroom use. The documentaries will bring history to life and feature animation and celebrity narrators in bilingual formats and also be available for telecast on Armed Forces Television worldwide.

INITIAL LESSON TOPICS

The original eleven (11) lesson topics analyze how the military led greater American society toward racial and gender equality, including:

The Revolution.—Black freeman Crispus Attucks became the first soldier to die in the Revolutionary War. The tragic incident began the long history of black military service in support of the United States of America.

Slavery and the Civil War.—The slave revolts of Nat Turner and abolitionist John Brown highlight the cruel and savage industry of American slavery. How the slaves reacted to the Civil War and black troop participation in the Union Army changed America forever. Lessons will examine slave culture, the underground railroad and black military participation in the Civil War as well as post-war freemen flight to the north and western United States that often ended in disaster.

Buffalo Soldiers and Western Expansion.—After the Civil War, many Union Army soldiers and freemen formed four legendary black units on the plains and in the southwest. The U.S. Army's 9th and 10th Cavalry "Buffalo Soldiers" and the 24th and 25th Infantry fought Indians, Mexicans and whites in a variety of settings and also performed tedious and dangerous assignments rooted in racial discrimination.

Lessons will separate fact from fiction as to who these men were and what they did during and after their military service.

WWI Black Officers Take Charge.—The Army's first officer candidate class for blacks drew an elite group of men to Fort Des Moines, Iowa in 1917. Although three blacks had previously graduated West Point, the 1,250 candidates of the 17th Provisional Training Regiment represented the first group training ever performed. The class consisted of 1,000 college graduates and faculty and 250 non-commissioned officers from the 9th and 10th Cavalry "Buffalo Soldiers" and the 24th and 25th Infantry stationed on the plains and in the southwest. The 639 graduating captains and lieutenants served valiantly with the 3rd Battalion 92nd Division of the American Expeditionary Force on the battlefields of World War One France in 1918 as the first black combat regiment commanded by black officers. Lessons will explore who these men were and their impact on the military command structure and greater society.

WWI Negrophilia and the New Negro.—The black officers of the U.S. Army played a major role in the European avant-garde cultural revolution during and after World War One. Lt. John Reece Europe's fabulous "Hell Fighters Band," along with others, introduced the continent to the jazz craze that drove Paris wild and impacted every aspect of European culture between 1918 and 1930. Paralleling the Harlem (New York) Renaissance, participants ranged from entertainers Josephine Baker and Paul Robeson to legendary French artist Picasso. The highly educated black officers, labeled "New Negroes" by the French, presented a direct contradiction to the popular European colonial concept of primitivism. These lessons are culture and arts oriented.

WWII Women at War and Beyond.—Over 72,000 women trained at Fort Des Moines, Iowa between 1942 and 1945 including 7,000 college educated officers becoming the first female Army troops. The racially integrated training contained 3,600 black enlisted women and 118 officers. Lessons will preview who they were, where they came from and what they did during and after World War Two. What they and their military descendants' impact was on gender equality throughout the military and greater society.

WWII Tuskegee Airmen.—Within a legendary World War Two combat unit, Iowan Luther Smith could be the greatest Tuskegee Airmen story of them all. After 133 combat missions, a fiery plane crash with severe injuries and 7 months as a Nazi POW, how could Captain Smith survive to become NASA's first black aerospace engineer and one of seven veterans invited to accompany President William Clinton to Europe for the 50th anniversary of WWII? Lessons will study unit history and individual stories of the Tuskegee Airmen themselves and their impact of greater society.

Korea and Combat Integration.—After President Truman's 1948 executive order ending racial segregation in America's Armed Forces was effectively ignored by military leaders, China's entrance into the Korean conflict made black troopers the combat replacement of choice. A new level of popularity and danger led to heroic service by black troops in the midst of discrimination and hatred but opened the door for integration on the battlefield. Lessons will discuss the many contradictions of the Korean War and the fledgling civil rights movement back home.

Black Troops in Vietnam.—From the "Black Power" movement of urban America to the dangerous jungles of Vietnam, black troops served with distinction in an unpopular war. The Vietnam War contradicted the racial segregation of WWII by loading combat units with black draftees resulting in disproportionately high casualty rates. Lessons will examine the racial, socio-economic and political reasons black troops fought overseas and protested at home and what American society learned from this controversial period.

The War on Terrorism.—International relations from century old European colonialism to religious, ethnic and racial intolerance provide a bloody history creating today's events. Distinguish players in the deadly game of international and domestic terrorism and their impact on American society before and after 9/11 are identified and analyzed. Lessons will concentrate on understanding all aspects of terrorism and its roots.

Today's Military.—Discusses the socio-economic and educational opportunities and risks of service in today's modern military in every branch and the future. The impact of military service alternatives on black and female high school drop-out, teen-pregnancy, unemployment and incarceration rates are analyzed. Lessons will also review selected military careers and resulting career opportunities after service.

ACADEMIC NEED

According to the U.S. Department of Education, youth residing in both urban and rural areas have limited exposure to accurate multi-cultural historical curricula and thus possess a narrow interpretation of American history. The Federal Government, and most States, mandate multi-cultural non-sexist education. Although very worthy, little has been done by educational agencies to help teachers fulfill their multi-cultural non-sexist goals. The problem is particularly critical for teachers in small rural school districts where they are often assigned many duties and academic preparations and have little time to develop effective lessons with multi-cultural, non-sexist themes. The problem is accentuated by the reality that because an aging national teacher workforce, more young, inexperienced teachers are assigned to teach history courses.

PROGRAM EVALUATION

HERO pilot project success will be evaluated in a number of ways including:
—Number of hits on project website and internet surveys.
—Evaluations from teachers who attend in-service presentations conducted by project staff and follow-up questionnaires.
—Evaluations from focus groups of teachers from targeted school districts.
—Surveys from participating faculty and students in targeted school districts.
—Increase in black and female military enlistments from targeted school districts.

PILOT PROGRAM

This original program will be implemented in selected school districts in six (6) States and school districts representing the Nation's geographic resources and large to small black population areas according to the 2004 U.S. Census and National Center for Education Statistics, including:

State	Black Population	School District	High School Students	Black Percent
New York	3,361,053	New York City	1,049,831	34.4
Texas	2,633,219	Houston ISD	210,950	31.3
Georgia	2,612,936	Atlanta City	56,586	89.2
California	2,436,678	Los Angeles Unified	735,058	12.4
Michigan	1,450,583	Detroit City	166,675	90.8
Iowa	67,596	Des Moines Independent	32,010	15.3

Program Budget (estimated)	Total
Website development	$50,000
HD Television production	400,000
Project staff	980,000
Equipment and office expenses	250,000
Marketing and distribution	950,000
Travel and entertainment	270,000
School District Participation Fee (6)	250,000
Education consultants (curriculum and program development)	100,000
Total	3,250,000

BUDGET NARRATIVE

Website Development.—A new website with over forty (40) new web pages requires a professional developer who will also provide on-going updates and maintenance. This expense includes creation, page design and 60-months of website hosting, $50,000.

Documentary Production.—The expense includes pre-production including script development, high definition (HD) production and post-production services with 3D and 2D digital effects of the ten 28:00 programs broken into 14:00 blocks. It also includes program satellite uplink, website upload or DVD and VHS bicycling as needed to distribute the products. This category also includes director and crew services and remote and post-production equipment and services, $400,000.

Project Staff.—The project team will include full time director and administrative assistant with two part-time researchers and two teacher advisory committees totaling $980,000.

—Project Director will be an experienced educator and energetic self-starter with solid leadership and communications skills. The director will possess considerable teaching, writing and research skills and a firm command of the Internet, anticipated costs are $75,000 salary and $15,000 (20 percent) for benefits or $90,000 for 5 years totaling $450,000.

—Project Coordinator supports project director with administrative and managerial services and provides secondary leadership to project operations. This position includes non-profit managerial and accounting experience working with accounting and auditing support to insure financial, insurance and institutional efficiency and support, $50,000 salary and $10,000 (20 percent) benefits.

—Administrative Assistant is a full-time position including all administrative and clerical duties over a 5 year period. Salary is $20,000 plus $4,000 (20 percent) benefits or $24,000 at 5 years $120,000.

—Research Assistants consist of two (2) experienced part-time researchers for content and curriculum development and then statistical recovery, interpretation and analysis throughout the project term. They will assist director and pre-production script development. Anticipated cost for each part-time researcher are $25,000 salary and $5,000 (20 percent) for benefits with a 5 year total of $300,000.

—Teacher Advisors will consist of eight (8) experienced history teachers, including military history, who possess knowledge of electronically provided lessons at the upper elementary, middle and high school levels. This group will also participate in focus groups and receive $2,400 per year and related expenses for their 2 years of time for a total of $40,000.

Equipment Expenses at base office consist of computer hardware and software and additional office rent, utilities, equipment and furniture totaling $250,000 including:

—Office rent, utilities, etc.

—Desk (3) and laptop (3) computers with software.

—Color printer, scanner, copy and fax machines with telephone system.

—HD video recorder/players with time code readers and monitor for logging tapes and pre-paring rough edit cuts will reduce final edit costs.

Marketing and Public Relations includes professional agency services to directly reach high school administrators, educators, students and parents with an uplifting and positive message about the program and its long-range benefits. These activities include developing press releases and custom kits, fact sheets, Q&As and testimonials from successful black and female veterans and selected celebrities. Establishing distribution collaborations with AOL@SCHOOL, scholastic and other existing educational networks and scheduling interviews for radio, television, print media and direct group presentations by staff, veterans and selected celebrities, $950,000.

Travel and Entertainment consists of staff travel to selected educational, historical and military conferences and for meetings with participant school districts, media entities and corporate sponsors. All per diem and related expenses will be consistent with federal government guidelines, $270,000.

School District Participation Fees will reimburse six public districts for efforts in implementing and reporting the program results in their respective cities reducing political and anti-military resistance, $250,000.

Educational Consultants include industry professionals, the University of Iowa and U.S. Military Academy providing assistance in curriculum development, program implementation and success reporting and interpretation from participating districts, $100,000.

COMPLETION SCHEDULE

Upon funding confirmation and team hiring, the following schedule will be completed over a 24-month development and 36-month maturation period are as follows:

—Month 1: Identify teacher advisory teams and website and distribution experts.

—Month 2–7: Perform research, interviews including research trips as mentioned in the narrative.

—Month 8: Present research to teacher teams and develop lesson formats.

—Month 9–14: Develop lessons and perform lesson planning and documentary pre-production.

—Month 15: Perform lesson revisions including evaluation process and conference presentation formats.

—Month 16–19: Pilot lessons ready, finish website, data base and documentary production.

—Month 20: Final revisions of lessons with modifications from teacher advisors.

—Month 21–24: Website, data base and documentary post-production completed with marketing activities in full swing.
—Month 25–60: Marketing to grow project to full pilot state and national recognition.

PROJECT LEADERSHIP

The project leadership team includes a wide-variety of distinguished professionals and educational institutions bringing considerable expertise to all elements of the HERO project including:

MORRIS HERITAGE FOUNDATION, INC.

Morris Heritage Foundation, Inc. (MHF) is a 501c3 not-for-profit Iowa corporation specializing in mass communications and educational projects and based in Des Moines, Iowa. MHF president Robert V. Morris, who created the HERO program, is a consultant, educator, publisher, author and television producer. A 1982 graduate of the University of Iowa and former Iowa State University journalism instructor (1994), he founded the $10 million Fort Des Moines Memorial Park in 1997, the Iowa Tuskegee Airmen Memorial in 2002 and the Architecture, Construction and Engineering (ACE) Mentor Iowa program in 2005. Morris has produced numerous educational mass media projects including the award winning documentary Tradition And Valor (56:00) with Iowa Public Television in 1994. MHF board of directors includes Steven T. Berry, a masters graduate of the prestigious UCLA Film School and a professor of mass communications at Howard University in Washington, DC., Robert A. Wright, Sr., a noted attorney and former national board member of the NAACP and Luther H. Smith a legendary WWII Tuskegee Airman, aerospace engineer and educator.

UNIVERSITY OF IOWA

Professor Frederick Woodard is an intellectual historian heading the African-American English department at the prestigious Big 10 University and will lead a graduate student consulting team on an as needed basis. Professor Woodard is the author of Reasons To Dream (UI Press) and has produced international documentaries on Africa for the U.S. Information Agency.

UNITED STATES MILITARY ACADEMY

Col. Lance Betros, history department head at the historic United States Military Academy at West Point, New York will provide historical consultation on a voluntary as-needed basis.

NOTE: Additional professional consultants could be utilized on an as needed basis.

GEN. COLIN L. POWELL, USA (RET)

The HERO Program was reviewed by former U.S. Secretary of State and Chairman of the Joint Chiefs of Staff Gen. Colin L. Powell who responded affirmatively on April 2, 2006.

U.S. ARMY RECRUITING COMMAND

M/Gen. Thomas P. Bostick, commander, U.S. Army Recruiting Command at Fort Knox. Kentucky since October 2005 is a West Point and Stanford University graduate who personally reviewed the HERO program. HERO was also evaluated by USAREC G–5 office of marketing, partnerships and outreach and a program content support letter was released on March 28, 2006.

PILOT PROGRAM PARTICIPATING SCHOOL DISTRICT CONTACTS (PENDING CONTACT AND CONFIRMATION)

Atlanta Public School District—Beverly L. Hall, Ed.D, superintendent, 130 Trinity Avenue, SW, Atlanta, Georgia 30303. Tel: 404–802–2820.

Des Moines Independent School District—Linda Lane, superintendent, 1801 16th Street, Des Moines, Iowa 50314–1902, Tel: 515–242–7837.

Detroit Public Schools—Beverly A. Gray, Ed.D, curriculum development, Albert Kahn Building, 7430 2nd Avenue, 3rd Floor, Detroit, Michigan 48202, Tel: 313–873–7705.

Houston Independent School District—Dr. Abelardo Saavedra, superintendent, 3830 Richmond Avenue, Houston, Texas 77027. Tel: 713–892–6300.

Los Angeles Unified—Roy Romer, superintendent, 333 South Beaudry Avenue, 24th Floor, Los Angeles, California 90017, Tel; 213–241–7000.

New York City Public School District—Laura Kotch, executive director of curriculum development, 52 Chambers Street, New York, New York 10007, Tel; 212–374–0396.

POTENTIAL FUNDING SOURCES

Funding ($3.25 million) for the HERO pilot program will be sought from one or a combination of the following sources upon proposal finalization.

—U.S. Congressional Defense (O–1) "Civilian Education and Training" earmark for fiscal year 2007 submitted to the Senate Defense Appropriations Subcommittee chaired by Senator Ted Stevens (R-AK) with ranking member Sen. Daniel Inouye (D-HI) sponsored by appropriations committee member Senator Tom Harkin (D-IA) with support from finance committee chairman Senator Charles Grassley (R-IA). Note: MHF President Morris has testified four times before the committee winning $8.5 million in three earmarks for Fort Des Moines Memorial Park between 1998–2002.

—Corporate Prime Defense Contractor foundations of top industry companies will be approached including: Northrop Grumman, Lockheed Martin, General Dynamics, Raytheon, Boeing, etc.

Senator INOUYE. Our next witness is the Deputy Director of the American Legion, Mr. Dennis Duggan.

STATEMENT OF DENNIS DUGGAN, DEPUTY DIRECTOR, AMERICAN LEGION

Mr. DUGGAN. Good morning, Senator Inouye. It is good to see you again, sir.

Senator INOUYE. Welcome, sir.

Mr. DUGGAN. On behalf of the Nation's largest organization of wartime veterans, the American Legion is always grateful to you and members of the subcommittee, in order to present its views on defense appropriations for fiscal year 2007. We have always valued your leadership, as well as your extensive experience as a veteran, sir, and the most highly decorated one, at that, in assessing and authorizing adequate appropriations for a strong national defense, especially during this challenging war on terrorism, in which are Active, Reserves, and National Guard, are fighting, and are being wounded and killed practically daily.

Although the President's 2007 defense budget represents about 3.9 percent of the gross domestic product, we understand, we have been reminded, particularly by the Army, that past defense budgets during time of war and in some buildups have been nearly twice that percentage at about 8 percent of gross domestic product.

We are aware that there is an accompanying supplemental budget also to pay for the cost of the war, as well.

This defense budget has several—in fact, a number of major, major, hefty objectives; that is, to continue to advance ongoing efforts to prevail in the global war on terror, defend the homeland against threats, maintain America's military superiority, and to support servicemembers and their families.

The administration's proposed 2.2 percent pay raise in the face of an increasing inflation rate, we believe needs to be raised to 2.7 percent in the Senate, as was previously done in the House.

As mentioned previously, the American Legion also believes that the Army and Marine Corps manpower strength should be statutorily increased to 30,000 more for the Army, 1,000 for the Marine Corps, and some 17,000 for the National Guard.

With the Army's recruiting picture somewhat improved, the Army has indicated that they have been trying to recruit actually for an increased authorization, and they are making some progress in that regard.

Likewise, TRICARE fees for working military retirees under the age of 65 should not be increased, we believe. We believe that should be set aside, and for sure not increased for fiscal year 2007. What we are saying here is that the defense health program, as originally programmed, we believe should be fully funded.

Likewise we believe, though, that the premium-based TRICARE health care plan—and I know this will be expensive—should be extended to drilling reservists and guardsmen, or what they call a Select Reserve, a measure which we believe passed the Senate last year, but not the House.

We are particularly supportive of a bill also, and it was sponsored by Senator Boxer from California, and recognizably, this is an authorization issue and not strictly an appropriations one. But it would provide for the posthumous awarding of purple hearts for American prisoners of war who died in or due to hostile captivity. Amazingly, that provision is not provided for in service or Purple Heart regulations. And we would like to see it taken back, applied to any member of the Armed Forces who was held as a prisoner of war in any conflict after December 7, 1941.

Finally, Senator Inouye, we would ask that the defense prisoner of war (POW) missing in action (MIA) personnel office be fully funded now and in the future years, so they can continue in their essential function of attempting to achieve full accounting, mainly through excavations, in Vietnam and Korea.

Mr. Chairman, this concludes my statement, and again we appreciate this opportunity very much, and thank you for all you do for the national defense of this country.

Senator INOUYE. I thank you very much. Your recommendation on POW purple hearts and the MIA is not only reasonable; I think it should be done right away.

Mr. DUGGAN. Okay, sir.

Senator INOUYE. Thank you, sir.

Just in case some of you are wondering why this empty chamber, at this moment the House and Senate Members are gathering to listen to the speech of the new prime minister of Israel. And so I'm here to listen to you.

[The statement follows:]

PREPARED STATEMENT OF DENNIS MICHAEL DUGGAN

Mr. Chairman: The American Legion is grateful for the opportunity to present its views on defense appropriations for fiscal year 2007. The American Legion values your leadership in assessing and authorizing adequate funding for quality-of-life (QOL) features of the Nation's Armed Forces to include the Active, Reserve and National Guard forces and their families, as well as quality of life for military retirees and their dependents.

Since September 2001, the United States has been involved in the war against terrorism in Operations Iraqi Freedom and Enduring Freedom. American fighting men and women are again proving they are the best-trained, best-equipped and best-led military in the world. As Secretary of Defense Donald Rumsfeld has noted, the war in Iraq is part of a long, dangerous global war on terrorism. The war on terrorism is being waged on two fronts: overseas against armed insurgents and at home protecting and securing the homeland. Casualties in the shooting wars, in terms of those killed and seriously wounded, continue to mount daily. Indeed, most

of what we as Americans hold dear is made possible by the peace and stability that the Armed Forces provide by taking the fight to the enemy.

The American Legion adheres to the principle that this Nation's Armed Forces must be well-manned and equipped, not just to pursue war, but to preserve and protect the peace. The American Legion strongly believes past and current military downsizing were budget-driven rather than threat-focused. Once Army divisions, Navy warships and Air Force fighter squadrons are downsized, eliminated or retired from the force structure, they cannot be reconstituted quickly enough to meet new threats or emergency circumstances. The Active-Duty Army, Army National Guard and the Reserves have failed to meet their recruiting goals, and the Army's stop-loss policies have obscured retention and recruiting needs. Clearly, the Active Army is struggling to meet its recruitment goals. Military morale undoubtedly has been adversely affected by the extension and repetition of Iraq tours of duty.

The administration's fiscal year 2007 budget requests more than $441 billion for defense or about 17 percent of the total budget. The fiscal year 2007 defense budget represents a 6.8 percent increase in defense spending over current funding levels. It also represents about 3.9 percent of our Gross National Product. Active duty military manpower end-strength is now over 1.41 million. Selected Reserve strength is about 863,300 or reduced by about 25 percent from its strength levels during the Gulf War of 14 years ago.

Mr. Chairman, this budget must advance ongoing efforts to prevail in the global war on terrorism, defend the homeland against threats, maintain America's military superiority, and to support servicemembers and their families. A decade of over-use of the military and past under-funding, necessitates a sustained investment. The American Legion believes the budget must continue to maintain Army end-strengths, fully fund Tricare programs, accelerate improved Active and Reserve Components' quality of life features, provide increased funding for the concurrent receipt of military retirement pay and VA disability compensation ("Veterans Disability Tax") and elimination of the offset of survivors benefit plan (SBP) and Dependency and Indemnity Compensation (DIC) that continues to penalize military survivors.

If we are to win the war on terror and prepare for the wars of tomorrow, we must take care of the Department of Defense's greatest assets—the men and women in uniform. They do us proud in Iraq, Afghanistan and around the world. They need our help.

In order to attract and retain the necessary force over the long haul, the Active Duty force, Reserves, and National Guard continue to look for talent in an open market place and to compete with the private sector for the best young people this Nation has to offer. If we are to attract them to military service in the Active and Reserve Components, we need to count on their patriotism and willingness to sacrifice, to be sure, but we must also provide them the proper incentives. They love their country, but they also love their families—and many have children to support, raise and educate. We have always asked the men and women in uniform to voluntarily risk their lives to defend us; we should not ask them to forego adequate pay and allowances, adequate health care and subject their families to repeated unaccompanied deployments and sub-standard housing as well. Undoubtedly, retention and recruiting budgets need to be substantially increased if we are to keep and recruit quality servicemembers.

The President's fiscal year 2007 defense budget requests over $10.8 billion for military pay and allowances, including a 2.2 percent across-the-board pay raise. This pay raise is inadequate and needs to be substantially increased. It also includes billions to improve military housing, putting the Department on track to eliminate most substandard housing by 2007—several years sooner than previously planned. The fiscal year 2006 budget further lowered out-of-pocket housing costs for those living off base. The American Legion encourages the subcommittee to continue the policy of no out-of-pocket housing costs in future years and to end the military pay differential with the private sector.

Together, these investments in people are critical, because smart weapons are worthless to us unless they are in the hands of smart, well-trained soldiers, sailors, airmen, marines and coast guard personnel.

The American Legion National Commander has visited American troops in Europe, Iraq, Guantanamo Bay, and South Korea as well as a number of installations throughout the United States, including Walter Reed Army Medical Center and Bethesda National Naval Medical Center. During these visits, he was able to see first-hand the urgent, immediate need to address real quality of life challenges faced by servicemembers and their families. Severely wounded servicemembers who have families and are convalescing in military hospitals clearly need to continue to receive the best of care, particularly for PTSD, and the DOD interface with the VA

must be seamless. Also, the medical evaluation board process needs to be expedited so that military severance and disability retirement pays will be more immediately forthcoming. The soldiers' best interests must be fairly represented before the medical evaluation boards. Our national commanders have spoken with families on Women's and Infants' Compensation (WIC), which is an absolute necessity to larger military families. Quality-of-life issues for servicemembers, coupled with combat tours and other operational tempos, play a role in recurring recruitment and retention efforts and should come as no surprise. The operational tempo and lengthy deployments, to include multiple combat tours, must be reduced or curtailed. Military missions were on the rise before September 11 and deployment levels remain high. The only way to reduce repetitive overseas tours and the overuse of the Reserves is to recruit and fill authorized Army endstrengths and perhaps Reserve endstrengths for the services.

Military pay must be on a par with the competitive civilian sector. Activated Reservists must receive the same equipment, the same pay and timely health care as Active Duty personnel. The Reserve Montgomery GI Bill must be as lucrative as the MGI Bill for Active Duty personnel. If other benefits, like health care improvements, commissaries, adequate quarters, quality child care and impact aid for DOD education are reduced, they will only serve to further undermine efforts to recruit and retain the brightest and best this Nation has to offer.

To step up efforts to bring in enlistees, all the Army components are increasing the number of recruiters. The Army National Guard sent 1,400 new recruiters into the field last February. The Army Reserve is expanding its recruiting force by about 80 percent. If the recruiting trends and the demand for forces persist, the Pentagon under current policies could eventually "run out" of Reserve forces for war zone rotation, a Government Accountability Office expert warned. The Pentagon projects a need to keep more than 100,000 Reservists continuously over the next 3 to 5 years. The Defense Appropriations bill for fiscal year 2005 provided the funding for the first year force level increases of 10,000. The Army's end-strength increased 30,000 and the Marine Corps end-strength increased 3,000.

Army restructuring would have increased the number of Active Army maneuver brigades by 30 percent by fiscal year 2007. Neither Active Duty nor National Guard combat brigades should be reduced. Clearly, reducing combat units during wartime should not be the bill payer for modernization.

The budget deficit is projected to be $427 billion which is the largest in U.S. history, and it appears to be heading higher perhaps to $500 billion. National defense spending must not become a casualty of deficit reduction.

FORCE HEALTH PROTECTION (FHP)

As American military forces are again engaged in combat overseas, the health and welfare of deployed troops is of utmost concern to The American Legion. The need for effective coordination between the Department of Veterans Affairs and the DOD in the force protection of U.S. forces is paramount. It has been 15 years since the first Gulf War, yet many of the hazards of the 1991 conflict are still present in the current war.

Prior to the 1991 Gulf War deployment, troops were not systematically given comprehensive pre-deployment health examinations nor were they properly briefed on the potential hazards, such as fallout from depleted uranium munitions they might encounter. Record keeping was poor. Numerous examples of lost or destroyed medical records of Active Duty and Reserve personnel were identified. Physical examinations (pre/and post-deployment) were not comprehensive and information regarding possible environmental hazard exposures was severely lacking. Although the government had conducted more than 230 research projects at a cost of $240 million, lack of crucial deployment data resulted in many unanswered questions about Gulf War veterans' illnesses.

The American Legion would like to specifically identify an element of FHP that deals with DOD's ability to accurately record a servicemember's health status prior to deployment and document or evaluate any changes in his or her health that occurred during deployment. This is exactly the information VA needs to adequately care for and compensate servicemembers for service-related disabilities once they leave active duty. Although DOD has developed post-deployment questionnaires, they still do not fulfill the requirement of "thorough" medical examinations nor do they even require a medical officer to administer the questionnaires. Due to the duration and extent of sustained combat in Operations Iraqi Freedom and Enduring Freedom, the psychological impact on deployed personnel is of utmost concern to The American Legion. VA's ability to adequately care for and compensate our Nation's veterans depends directly on DOD's efforts to maintain proper health records/

health surveillance, documentation of troop locations, environmental hazard exposure data and the timely sharing of this information with the VA.

The early signs of PTSD must be detected early-on and completely treated by the military and the VA. The American Legion strongly urges Congress to mandate separation physical exams for all servicemembers, particularly those who have served in combat zones or have had sustained deployments. DOD reports that only about 20 percent of discharging servicemembers opt to have separation physical exams. During this war on terrorism and frequent deployments with all their strains and stresses, this figure, we believe, should be substantially increased.

MILITARY QUALITY OF LIFE

Our major national security concern continues to be the enhancement of the quality of life issues for Active Duty servicemembers, Reservists, National Guardsmen, military retirees and their families. During the last congressional session, President Bush and the Congress made marked improvements in an array of quality of life issues for military personnel and their families. These efforts are vital enhancements that must be sustained.

Mr. Chairman, during this period of the war on terrorism, more quality of life improvements are required to meet the needs of servicemembers and their families as well as military retiree veterans and their families. For example, the proposed 2.2 percent pay-raise needs to be significantly increased. The 4.4 percent military comparability gap with the private sector needs to be eliminated; the improved Reserve MGIB for education needs to be completely funded as well; combat wounded soldiers who are evacuated from combat zones to military hospitals need to retain their special pays and base pay and allowances continued at the same level so as not to jeopardize their family's financial support during recovery. Furthermore, the medical evaluation board process needs to be expedited and considerate of the soldiers' best interest so that any adjudicated military severance or military disability retirement payments will be immediately forthcoming; recruiting and retention efforts, to include the provision of more service recruiters, needs to be fully funded as does recruiting advertising. The Defense Health Program and, in particular, the Tricare healthcare programs need to be fully funded.

The Defense Department, Congress and The American Legion all have reason to be concerned about the rising cost of military healthcare. But it is important to recognize that the bulk of the problem is a national one, not a military specific one. It is also extremely important, in these days of record deficits, that we focus on the government's unique responsibility and moral obligation to fully fund the Defense Health program, particularly its Tricare programs, to provide for the career military force that has served for multiple decades under extraordinarily arduous conditions to protect and preserve our national welfare. In this regard, the government's responsibility and obligations to its servicemembers and military retirees go well beyond those of corporate employers. The Constitution puts the responsibility on the government to provide for the common defense and on the Congress to raise and maintain military forces. No corporate employer shares such awesome responsibilities.

The American Legion recommends against implementing any increases in healthcare fees for uniformed services and retiree beneficiaries. Dr. William Winkenwerder, Assistant Secretary of Defense (Heath Affairs), briefed The American Legion and other VSOs/MSOs that rising military healthcare costs are "impinging on other service programs." Other reports indicate that the DOD leadership is seeking more funding for weapons programs by reducing the amount it spends on military healthcare and other personnel needs. The American Legion believes strongly that America can afford to, and must, pay for both weapons and military healthcare. The American Legion also believes strongly that the proposed defense budget is too small to meet the needs of national defense. Today's defense budget, during wartime, is less than 4 percent of GDP, well short of the average for the peacetime years since WWII. Defense leaders assert that substantial military fee increases are needed to bring military beneficiary costs more in live with civilian practices. But such comparisons with corporate practices is inappropriate as it disregards the service and sacrifices military members, retirees and families have made in service to the Nation.

The reciprocal obligation of the government to maintain an extraordinary benefit package to offset the extraordinary sacrifices of career military members is a practical as well as moral obligation. Eroding benefits for career service can only undermine long-term retention and readiness. One reason why Congress enacted Tricare for Life is that the Joint Chiefs of Staff at the time said that inadequate retiree healthcare was affecting attitudes among active duty troops. The American Legion

believes it was inappropriate to put the Joint Services in the untenable position of being denied sufficient funding for current readiness needs if they didn't agree to beneficiary benefit cuts.

Reducing military retirements budgets, such as Tricare healthcare, would be penny-wise and pound-foolish when recruiting is already a problem and an overstressed and overstrengthened force is at increasing retention risks. Very simply the DOD should be required to pursue greater efforts to improve Tricare and find more effective and appropriate ways to make Tricare more cost-effective without seeking to "tax" beneficiaries and making unrealistic budget assumptions.

The American Legion applauds Congress for extending Tricare Reserve Select coverage to all members of the Selected Reserve. DOD is relying on the Guard and Reserve more heavily and deployments are becoming longer and more frequent as they are indispensable parts of our Armed Forces, and many Reservists and their families have no medical insurance.

Likewise, military retiree veterans as well as their survivors, who have served their country for decades in war and peace, require continued quality of life improvements as well. First and foremost, The American Legion strongly urges that FULL concurrent receipt and Combat-Related Special Compensation (CRSC) be authorized for disabled retirees whether they were retired for longevity (20 or more years of service) or military disability retirement with fewer than 20 years. In particular, The American Legion urges that disabled retirees rated 40 percent and below be authorized CRPD and that disabled retirees rated between 50 percent and 90 percent disabled be authorized non-phased-in concurrent receipt. Additionally, The American Legion strongly urges that all military disability retirees with fewer than 20 years service be authorized to receive CRSC and VA disability compensation provided, of course, they're otherwise eligible for CRSC under the combat-related conditions. The funding for these military disability retirees with fewer than 20 years is a "cost of war" and perhaps should be paid from the annual supplemental budgets.

Secondly, The American Legion urges that the longstanding inequity whereby military survivors have their survivors benefit plan (SBP) offset by the Dependency and Indemnity Compensation (DIC) be eliminated. This "Widows' Tax" needs to be corrected as soon as possible. It is blatantly unfair and has penalized deserving military survivors for years. A number of these military survivors are nearly impoverished because of this unfair provision. As with concurrent receipt for disabled retirees, military survivors should receive both SBP AND DIC. They have always been entitled to both and should not have to pay for their own DIC. The American Legion will continue to convey that simple, equitable justice is the primary reason to fund FULL concurrent receipt of military retirement pay and VA disability compensation, as well as the SBP and DIC for military survivors. Not to do so merely perpetuates the same inequity. Both inequities need to be righted by changing the unfair law that prohibits both groups from receiving both forms of compensation.

Mr. Chairman, The American Legion as well as the Armed Forces and veterans continue to owe you and this subcommittee a debt of gratitude for your support of military quality of life issues. Nevertheless, your assistance is needed in this budget to overcome old and new threats to retaining and recruiting the finest military in the world. Servicemembers and their families continue to endure physical risks to their well-being and livelihood as well as the forfeiture of personal freedoms that most Americans would find unacceptable. Worldwide deployments have increased significantly and the Nation is at war. The very fact that over 300,000 Guardsmen and Reservists have been mobilized since September 11, 2001 is first-hand evidence that the United States Army desperately needs to increase its end-strengths and maintain those end-strengths so as to help facilitate the rotation of Active and Reserve component units to active combat zones.

The American Legion congratulates and thanks congressional subcommittees such as this one for military and military retiree quality of life enhancements contained in past National Defense Appropriations Acts. Continued improvement however is direly needed to include the following:

—*Completely Closing the Military Pay Gap with the Private Sector*.—With U.S. troops battling insurgency and terrorism in Iraq and Afghanistan, The American Legion supports a proposed 3.1 percent military pay raise as well as increases in Basic Allowance for Housing (BAH).

—*Commissaries*.—The American Legion urges the Congress to preserve full federal subsidizing of the military commissary system and to retain this vital non-pay compensation benefit for use by Active Duty families, Reservist families, military retiree families and 100 percent service-connected disabled veterans and others.

—*DOD Domestic Dependents Elementary and Secondary Schools (DDESS)*.—The American Legion urges the retention and full funding of the DDESS as they have provided a source of high quality education for military children attending schools on military installations.
—Funding the Reserve Montgomery GI Bill for Education.
—Providing FULL concurrent receipt of military retirement pay and VA disability compensation for those disabled retirees rated 40 percent and less; providing non-phased concurrent receipt for those disabled retirees rated between 50 percent and 90 percent disabled by the VA; and authorizing those military disability retirees with fewer than 20 years service to receive both VA disability compensation and Combat-Related Special Compensation (CRSC).
—Eliminating the offset of the survivors benefit plan (SBP) and Dependency and Indemnity Compensation (DIC) for military survivors.

OTHER QUALITY OF LIFE INSTITUTIONS

The American Legion strongly believes that quality of life issues for retired military members and their families are augmented by certain institutions which we believe need to be annually funded as well. Accordingly, The American Legion believes that Congress and the administration must place high priority on insuring these institutions are adequately funded and maintained:
—*The Uniformed Services University of the Health Sciences*.—The American Legion urges the Congress to resist any efforts to less than fully fund, downsize or close the USUHS through the BRAC process. It is a national treasure, which educates and produces military physicians and advanced nursing staffs. We believe it continues to be an economical source of CAREER medical leaders who enhance military health care readiness and excellence and is well-known for providing the finest health care in the world.
—*The Armed Forces Retirement Homes*.—The United States Soldiers' and Airmen's Home in Washington, D.C. and the United States Naval Home in Gulfport, Mississippi, have been under-funded as evidenced by the reduction in services to include on-site medical health care and dental care. Increases in fees paid by residents are continually on the rise. The medical facility at the USSAH has been eliminated with residents being referred to VA Medical Centers or Military Treatment Facilities such as Walter Reed Army Medical Center. The Naval Home at Gulfport, Mississippi was destroyed by Hurricane Katrina, The American Legion recommends that the Congress conduct an independent assessment of the USSAH facilities and the services being provided with an eye toward federally subsidizing the Home as appropriate. The facility has been recognized as a national treasure until recent years when a number of mandated services had been severely reduced and resident fees have been substantially increased.
—*Arlington National Cemetery*.—The American Legion urges that the Arlington National Cemetery be maintained to the highest of standards. We urge also that Congress mandate the eligibility requirements for burial in this prestigious Cemetery reserved for those who have performed distinguished military service and their spouses and eligible children.
—*2005 Defense Base Realignment and Closure Commission*.—The American Legion was disappointed that certain base facilities such as military medical facilities, commissaries, exchanges and training facilities and other quality of life facilities were not preserved for use by the Active and Reserve components and military retirees and their families. We urge that Walter Reed Medical Center be rebuilt at the National Naval Medical Center and that the Fort Belvoir Medical Facility be expanded.
—Finally, The American Legion urges that the Navy continue to maintain 12 aircraft carriers as the minimum essential.

THE AMERICAN LEGION FAMILY SUPPORT NETWORK

The American Legion continues to demonstrate its support and commitment to the men and women in uniform and their families. The American Legion's Family Support Network is providing immediate assistance primarily to activated National Guard families as requested by the director of the National Guard Bureau. The American Legion Family Support Network has reached out through its departments and posts to also support the Army Wounded Warrior program (AW2). Many thousands of requests from these families have been received and accommodated by the American Legion Family across the United States. Military family needs have ranged from requests for funds to a variety of everyday chores which need doing while the "man or woman" of the family is gone. The American Legion, whose mem-

bers have served our Nation in times of adversity, remember how it felt to be separated from family and loved ones. As a grateful Nation, we must ensure than no military family endures those hardships caused by military service, as such service has assured the security, freedom and ideals of our great country.

CONCLUSIONS

Thirty-three years ago, America opted for an all-volunteer force to provide for the national defense. Inherent in that commitment was a willingness to invest the needed resources to bring into existence and maintain a competent, professional and well-equipped military. The fiscal year 2007 defense budget, while recognizing the war on terrorism and homeland security, represents another good step in the right direction. Likewise our military retiree veterans and military survivors, who in yesteryear served this Nation for decades, continue to need your help as well.

Mr. Chairman, this concludes our statement.

Senator INOUYE. Our next witness is the Deputy Director of Government Relations of the National Military Family Association, Ms. Kathleen Moakler.

STATEMENT OF KATHLEEN B. MOAKLER, DEPUTY DIRECTOR, GOVERNMENT RELATIONS, NATIONAL MILITARY FAMILY ASSOCIATION

Ms. MOAKLER. Thank you, Senator Inouye. The National Military Family Association (NMFA) would like to thank you and Chairman Stevens for the opportunity to present testimony to this subcommittee on quality of life issues affecting servicemembers and their families. We thank you for your continued focus on these issues.

In our written testimony we discuss many issues of importance to military families. This morning I will highlight some of the most critical.

Family member readiness is imperative for servicemember readiness. Family readiness requires the availability of coordinated, consistent family support provided by well-trained professionals and volunteers. Adequate child care, easily unavailable preventative mental health counseling, as well as therapeutic mental health care. Employment assistance for spouses, and youth programs that assist parents to effectively address the concerns of their children, especially during times of deployment.

Paramount among these issues is the family's ability to access quality health care in a timely manner and at a cost that is commensurate with the sacrifices made by both servicemembers and families.

This year, with the proposal by DOD to raise TRICARE fees by exorbitant amounts, families are concerned. They see the proposal as an effort to change an earned entitlement to health care into an insurance plan. We appreciate congressional recognition that more study is needed before increases are imposed. NMFA is most concerned however about the $735 million shortfall that will exist because DOD deducted this from the budget proposal in anticipation of fee increases. NMFA urgently requests that this amount be reinstated to maintain quality health care for our servicemembers and their families.

As the length and danger of deployments increase, there is a greater need for confidential preventative mental health services. NMFA believes that Government-provided access to appropriate services for both servicemembers and their families need to be available for the long term.

In 2005, NMFA received almost 1,600 responses to its web survey on the cycles of deployment. The message from military families came through loud and clear: Families cannot, nor should they have to make it through a deployment alone. Though much has been done to improve existing deployment support programs and develop new initiatives, deployment support requires consistent funding, training of family readiness support volunteers, and information and support provided across the board. Military Onesource, DOD's virtual assistance program, continues to be an excellent resource for military families. NMFA is pleased that DOD has committed to funding the counseling provided under the Onesource contract, and appreciates congressional support for this program.

NMFA recently asked military service family program personnel what they needed to meet the challenges their families faced. Each identified unfunded requirements within their service budgets, and requested additional dedicated resources for family readiness. Common in all requests was the need for additional funding to improve outreach and support to Active duty, National Guard, and Reserve families, through programs and increased staff, enhanced counseling services and resources, the ability to make childcare more available, and the ability to provide additional support for volunteers.

NMFA asks Congress to provide the services with sufficient resources to sustain robust quality of life and family support programs through the entire deployment cycle, and recommends that at least $20 million be allocated to the individual military service, operations, and maintenance accounts to be directed toward these programs, with more dedicated to services bearing the largest deployment burden.

Thank you for your kind attention this morning, and I'm ready to answer any questions you may have.

Senator INOUYE. I thank you very much. How large is your membership?

Ms. MOAKLER. We represent all military family members, whether they are members of our organization or not.

Senator INOUYE. Thank you very much.

Ms. MOAKLER. You're welcome.

[The statement follows:]

PREPARED STATEMENT OF KATHLEEN B. MOAKLER

Mr. Chairman and distinguished Members of this subcommittee, the National Military Family Association (NMFA) would like to thank you for the opportunity to present testimony on quality of life issues affecting servicemembers and their families. Once again, we thank you for your focus on many of the elements of the quality of life package for servicemembers and their families: housing, health care, family support, and education.

FAMILY READINESS

Servicemember readiness is imperative for mission readiness. Family readiness is imperative for servicemember readiness. Family readiness requires the availability of coordinated, consistent family support provided by well trained professionals and volunteers; adequate child care; easily available preventative mental health counseling as well as therapeutic mental health care; employment assistance for spouses, and youth programs that assist parents to more effectively address the concerns of their children, particularly during stressful times. However, no one issue is more important to family readiness than the family's ability to access quality health care

in a timely manner and at a cost that is commensurate with the sacrifices made by both servicemembers and families.

Health Care

NMFA thanks this subcommittee for continued funding to provide for a robust military health care system. This system must continue to meet the needs of servicemembers and the Department of Defense (DOD) in times of armed conflict. It must also acknowledge that military members and their families are indeed a unique population with unique duties, who earn an entitlement to a unique health care program.

The proposal by DOD to raise TRICARE fees by exorbitant amounts has resonated throughout the beneficiary population. Beneficiaries see the proposal as a concentrated effort by DOD to change their earned entitlement to health care into an insurance plan. NMFA appreciates the concern shown by Members of Congress since the release of DOD's proposals regarding the need for more information about the budget assumptions used to create the proposals, the effects of possible increases on beneficiary behavior, the need for DOD to implement greater efficiencies in the Defense Health Care Program (DHP), and the adequacy of the DHP budget as proposed by DOD. We appreciate the many questions Members of Congress are asking about these proposals and urge Congress to continue its oversight responsibilities on these issues.

NMFA believes DOD has many options available to make the military health system more efficient and thus make the need for large increases in beneficiary cost shares unnecessary. We encourage DOD to investigate cost saving measures such as: a systemic approach to disease management, a concentrated marketing campaign to increase use of the TRICARE Mail Order Pharmacy, eliminating contract redundancies, delaying the recompetition of the TRICARE contracts, speeding implementation of the Uniform Formulary process, and optimizing military treatment facilities.

NMFA is especially concerned about DOD's proposal to create a TRICARE Standard enrollment fee. The precursor to TRICARE Standard, the basic benefit provided for care in the civilian sector, was CHAMPUS, which was then, as TRICARE Standard is now, an extension of the earned entitlement to health care. Charging a premium (enrollment fee) for TRICARE Standard moves the benefit from an earned entitlement to an opportunity to buy into an insurance plan. Also, because TRICARE Prime is not offered everywhere, Standard is the only option for many retirees and their families and survivors who need to access their military health care benefit.

In the current debate about whether or not to raise beneficiary fees for TRICARE, NMFA believes it is important to understand the difference between TRICARE Prime and TRICARE Standard and to distinguish between creating a TRICARE Standard enrollment fee and raising the Standard deductible amount. TRICARE Prime has an enrollment fee for military retirees; however, it offers enhancements to the health care benefit: lower out-of-pocket costs, access to care within prescribed standards, additional preventive care, assistance in finding providers, and the management of one's health care. In other words, enrollment fees for Prime are not to access the earned entitlement, but for additional services. These fees, which have not changed since the start of TRICARE, are $230 per year for an individual and $460 per year for a family.

DOD's proposal to increase TRICARE Prime enrollment fees, while completely out-of-line dollar wise, is not unexpected. In fact, NMFA was surprised DOD did not include an increase as it implemented the new round of TRICARE contracts last year. NMFA does have concerns about the amount of DOD's proposed increases for TRICARE Prime and the plan to impose a tiered system of enrollment fees and TRICARE Standard deductibles. We believe the tiered system is arbitrarily devised and fails to acknowledge the needs of the most vulnerable beneficiaries: survivors and wounded servicemembers.

Acknowledging that the annual Prime enrollment fee has not increased in more than 10 years and that it may be reasonable to have a mechanism to increase fees, NMFA has presented an alternative to DOD's proposal should Congress deem some cost increase necessary. NMFA suggests DOD apply the cumulative retiree cost of living adjustment (COLA) to the base annual Prime enrollment fee of $230 for an individual and $460 for a family. Using the 31.4 percent cumulative COLA for the years from 1995 through 2006, the annual fee would rise to approximately $302 for a single retiree and $604 for a family. If DOD thought $230/$460 was a fair fee for all in 1995, then it would appear that raising the fees simply by the percentage increase in retiree pay since then is also fair. NMFA also suggests that, to avoid another "sticker shock," fees be raised annually by the same percent as the retiree COLA. NMFA further believes adjusting the current fees over a 2-year period would

decrease the effect of "sticker shock" and allow families to adjust their budgets. We are aware the current system does require retirees/survivors with smaller incomes to pay a higher percentage of their pension/annuity for Prime than those with higher incomes; however, we believe the benefits of simply updating the current fees are greater for almost all concerned than devising another option, especially an arbitrarily-designed tier system. NMFA also suggests it would be reasonable to adjust the TRICARE Standard deductibles in the same manner: cumulative COLA for the years since 1995 and then tie future increases to the percent of the retiree annual COLA.

NMFA applauds DOD's proposal to encourage migration to the TRICARE Mail Order Pharmacy (TMOP) by removing cost shares for generic medications. NMFA and other associations have long encouraged DOD to launch a concentrated marketing effort to promote use of the TMOP, as it provides significant savings to beneficiaries as well as huge savings to the Department. The proposed beneficiary cost share increases in the pharmacy retail network program (TRRx) are not as exorbitant as the proposals for increases in Prime enrollment fees, the premium to access TRICARE Standard, or the increase in Standard deductibles, but do represent a 67 percent increase for all beneficiaries. If some additional cost share for TRRx is instituted, NMFA believes it should not be implemented until all of the medications available through TRRx are also available through TMOP and DOD joins the associations in actively and strongly promoting use of the TMOP.

It is imperative that adequate funding be restored to the Defense Health Budget should Congress reject TRICARE fee increases for this year. Based on beneficiary input—most recently in an NMFA web survey completed by approximately 600 respondents—NMFA believes the military health system is operating close to the financial edge and that the strains of meeting the military mission and providing care to active duty families, military retirees, their families, and survivors are taking a toll on the system, especially in the direct care system. Beneficiaries repeatedly tell NMFA of difficulties in obtaining timely appointments and that prescribed access standards are not being met for enrolled TRICARE Prime beneficiaries at military treatment facilities (MTFs). No one is more cognizant of the need for superior health care to be provided to servicemembers in harm's way than their families. In addition, no one is more willing to change providers or venues of care to accommodate the need for military health care providers to deploy than the families of those deployed. However, a contract was made with those who enrolled in Prime. Beneficiaries must seek care in the manner prescribed in the Prime agreement, but in return they are given what are supposed to be guaranteed access standards.

MTFs must have the resources and the encouragement to ensure their facilities are optimized to care for the most beneficiaries possible and must be held accountable for meeting stated access standards. If funding or personnel resource issues are the reason access standards are not being met, then assistance must be provided to ensure MTFs are able to meet access standards, support the military mission, and continue to provide quality health care. NMFA urgently requests that the $735 million deducted by DOD from the budget proposal for the Defense Health Program to reflect its savings due to increased TRICARE fees be reinstated.

As servicemembers and families experience numerous lengthy and dangerous deployments, NMFA believes the need for confidential, preventative mental health services will continue to rise. The Services must balance the demand for mental health personnel in theater and at home to help servicemembers and families deal with unique emotional challenges and stresses related to the nature and duration of continued deployments. NMFA remains concerned about access to mental health care, both preventative and therapeutic, for the long haul. Unfortunately the costs of war may linger for servicemembers and their families for many years. It is imperative that whether or not the member remains on active duty and entitled to military health care there are provisions for both servicemembers and their families to access appropriate mental health services paid for by their government.

Caring for Military Children and Youth

Frequent deployments and long work hours make the need for quality affordable and accessible child care critical. We thank Congress for making additional funding available for child care since the beginning of the global war on terror. Currently, DOD estimates it has a shortage of 31,000 child care spaces within the system, not counting the demand from the mobilized Guard and Reserve community. While efforts are being made to bridge this gap, thanks in part to congressional funding for child care over the past few years, innovative new strategies are needed—sooner rather than later. We congratulate the Navy for the incredible 24-hour centers they have opened in Norfolk and Hawaii. These centers provide a home-like atmosphere for children of sailors working late night or varying shifts. More of these centers

are needed, but they need to be funded at a level that enables them to provide the same quality of care as the standard the Navy has established in its first two centers. Providing high quality, after-hours care for service members working long hours in support of the mission is a cost of that mission.

Families continually tell NMFA that respite and drop-in care is in critically short supply worldwide. Families who cannot access military child development centers or family child care providers talk about the expense and difficulty they face in finding quality, affordable care. Programs such as Military Child Care in Your Neighborhood and Operation Military Child Care, which assist military families in finding and paying for child care, are welcome pieces of the solution, but are insufficient to completely meet the needs of our families.

Older children and teens cannot be overlooked. Schools want to be educated on issues affecting military students. Teachers and administrators want to be sensitive to the needs of military children. To achieve this goal they need tools. Parents are the primary advocates for their children and they also want the resources to help them accomplish this task. NMFA is working to meet this need through programs such as our Operation Purple summer camps and a pilot after school program for children of deployed servicemembers.

Schools serving military children, whether DOD or civilian schools, need the resources to meet military parents' expectation that their children receive the highest quality education possible. Because Impact Aid funding from the Department of Education is not fully funded and has remained flat in recent years, NMFA recommends increasing the DOD supplement to Impact Aid to $50 million to help districts better meet the additional demands caused by large numbers of military children, deployment-related issues, and the effects of military programs and policies such as family housing privatization. Initiatives to assist parents and to promote better communication between installations and schools should be expanded across all Services.

Spouse Employment

DOD has sponsored a variety of programs, including a partnership with Monster.com, to promote spouse employment. Spouses can also receive career counseling through Military OneSource. However, with 700,000 active duty spouses, the task of enhancing military spouse employment is too big for DOD to handle alone. Improvements in employment for military spouses and assistance in supporting their career progression will require increased partnerships and initiatives by a variety of government agencies and private employers. NMFA was concerned by recent press reports chronicling the end of a Department of Labor grant program that provided employment assistance to military spouses at several installations across the United States. We urge Congress to ensure funds are available to assist the military Services in initiatives to encourage more private employers to step up to the plate and form partnerships supporting military spouse employment and career progression. We encourage DOD to reach out to potential employers and acquaint them with the merits of hiring members of this talented and motivated work force. DOD must also encourage military spouses to use all available resources to educate themselves about factors to consider regarding employment benefits, to include investments, health care, portability and retirement.

What's Needed for Family Readiness?

NMFA recognizes and appreciates the continued focus that all the Services are placing on the issue of family readiness. In particular, the increased access to information for family members has had a tremendous positive impact on their ability to sustain "normal" lives while dealing with the issues that arise in military life. There is, however, still much to be done. DOD must continue to refine and improve family readiness programs not only because it is the right thing to do, but also to retain highly trained and qualified servicemembers.

NMFA has found Military OneSource, DOD's virtual assistance program, to be an excellent resource for military families. OneSource provides 24/7 access to counselors and information through the web (www.militaryonesource.com) and toll-free phone number. Because it is available 24/7, families do not have to wait for the installation family center to open or for someone to return a call. It also helps returning servicemembers and families access local community resources and receive up to six free face-to-face mental health visits with a professional outside the chain of command. NMFA is pleased DOD has committed to funding the counseling provided under the OneSource contract and appreciates congressional support for this program. This counseling is not medical mental health counseling, but rather assistance for family members in dealing with the stresses of deployment or reunion. It can be an important preventative to forestall more serious problems down the road.

FAMILIES AND DEPLOYMENT

From April through November, 2005, NMFA received 1,592 responses to its web survey on the Cycles of Deployment. The message from military families came through loud and clear: families cannot, nor should they have to, make it through a deployment alone. They expect family support to be available to all military families, regardless of their Service component or where the family lives. Respondents acknowledged they had a role to play in their own family readiness; however they looked to their commands, their unit volunteers, and their communities to recognize their sacrifice and help them make it through a deployment.

NMFA could not agree more. Although much has been done to improve existing deployment support programs and develop new initiatives to meet emerging needs, deployment support requires consistent funding, training of family readiness/support volunteers, and information and support provided across installations, services, and components. Deployment support programs must also have the potential to be "purple." According to our survey respondents, "The Military" has established an expectation that the uniformed services are family friendly. Families assume all the support systems should work together. They do not know (and do not really care) who is in charge of what, who is paid or not. How far the family lives from the unit does not really matter, nor do service or component distinctions. What does matter is that the promised support and information are provided.

The Services are making strides in providing more staffing—whether uniformed or civilian—to support the logistics of family support, but NMFA believes they must have additional resources to meet ongoing deployment needs and be ready to meet emerging ones. NMFA recently asked family readiness professionals from each Service what they needed to meet the challenges their families faced. In addition to initiatives funded at the Defense-wide level, each identified unfunded requirements within their Service budgets and requested additional dedicated resources for family readiness in their individual Service Operations and Maintenance accounts. Common in all requests was the need for additional funding to improve outreach, communication, and support to Active Duty, National Guard, and Reserve families; increase the availability of counseling resources; make child care services more available; and provide additional support for volunteers.

Higher stress levels caused by open-ended and multiple deployments require a higher level of community support. We ask Congress to provide the Services with sufficient resources to sustain robust quality of life and family support programs during the entire deployment cycle: pre-deployment, deployment, post-deployment, and in that critical period between deployments. To ensure a solid, but by no means gold-plated family readiness program to support families throughout this cycle, NMFA recommends additional funding be provided in the individual military Service Operations and Maintenance accounts to be directed toward enhancing family support initiatives such as outreach, counseling, aligning Guard and Reserve support programs with their active counterparts, child care, and providing assistance and training for family support volunteers. NMFA recommends that at least $20 million be allocated to each Service Operations and Maintenance account, with more dedicated to Services bearing the largest deployment burden.

FAMILIES AND TRANSITION

Transitions are part of the military life. For the individual military family, transitions start with the servicemember's entrance in the military and last through changes in duty station until the servicemember's separation or retirement from the service. Another transition comes with the injury or death of the servicemember. National Guard and Reserve families face a transition with each call-up and demobilization of the member. The transition to a restructured military under Service transformation initiatives, Global Rebasing, and Base Realignment and Closure (BRAC) will affect servicemembers, their families, and their communities.

Transformation, Global Rebasing, and BRAC

As the Global Rebasing and the BRAC process are implemented, military families look to Congress to ensure key quality of life benefits and programs remain accessible. Members of the military community, especially retirees, are concerned about the impact base closures will have on their access to health care and the commissary, exchange, and MWR benefits they have earned. They are concerned that the size of the retiree, survivor, Guard, and Reserve populations remaining in a location will not be considered in decisions about whether or not to keep commissaries and exchanges open. In the case of shifts in troop populations because of Service transformation initiatives, such as Army modularity and changes in Navy home ports, or the return of servicemembers and families from overseas bases, community

members at receiving installations are concerned that existing facilities and programs may be overwhelmed by the increased populations.

Quality of life issues that affect servicemembers and families must be considered on an equal basis with other mission-related tasks in any plan to move troops or to close or realign installations. Maintaining this infrastructure cannot be done as an afterthought. Ensuring the availability of quality of life programs, services, and facilities at both closing and receiving installations, and easing servicemembers and families' transition from one to another, will take additional funding and personnel. NMFA looks to Congress to ensure that DOD has programmed for costs of family support and quality of life as part of its base realignment and closure calculations from the beginning and receives the resources it needs. DOD cannot just program for costs of a new runway or tank maintenance facility. It must also program in the cost of a new child development center or new school, if needed.

NMFA cannot emphasize enough the urgency for DOD and Congress to allocate resources now to support communities involved in movements of large numbers of troops. The world in which the American overseas downsizing occurred a decade ago no longer exists. Troop movements and installation closings and realignments today occur against the backdrop of the ongoing war on terror and a heavy deployment schedule. The military of today is more dependent on contractors and civilian agencies to perform many of the functions formerly performed by uniformed military members. Changes in the military health care system and the construction and operation of military family housing will have an impact on the ability of an installation to absorb large numbers of servicemembers and families returning from overseas. Increased visibility of issues such as the smooth transition of military children from one school to another and a military spouse's ability to pursue a career means that more family members will expect their leadership to provide additional support in these areas.

We thank Congress for providing funds to assist schools in meeting the additional costs that come with the arrival of large numbers of military students. We believe this DOD funding—$7 million appropriated for this year—will be needed in larger amounts for several years until districts are able to secure resources from other Federal, State or local resources. We want these districts to welcome military children and not blame them for cutbacks in services because the schools could not receive DOD funds to assist them in supporting these children.

NMFA looks to Congress to ensure DOD's plans for these troop shifts will maintain access to quality of life programs and support facilities until the last servicemember and family leaves installations to be closed. In the same manner, we ask you to ensure that housing, schools, child development and youth programs, and community services are in place to accommodate the surge of families a community can expect to receive as a result of the movement of troops to a new location.

Survivors

We believe the obligation as articulated by President Lincoln, ". . . to care for him who shall have borne the battle and for his widow and his orphan," is as valid today as it was at the end of the Civil War. NMFA appreciates the work done this year by DOD and Services to improve the education of casualty assistance officers and to make sure survivors are receiving accurate information in a timely manner. While we still hear from some widows that they received wrong or incomplete information from their casualty assistance officer, these problems are quickly resolved when surfaced to the higher headquarters. We are concerned, however, about the widows or parents who still do not know who to call when there is a problem.

A new DOD publication is now available on the DOD Military Homefront website (www.militaryhomefront.DOD.mil) for each surviving spouse and/or parent outlining the benefits available to them. This on-line document can be easily updated as changes occur. It will be supplemented by Service-specific information. NMFA also looks forward to the results of the GAO study on the casualty notification and assistance process.

NMFA believes the benefit change that will provide the most significant long term advantage to the surviving family's financial security would be to end the Dependency Indemnity Compensation (DIC) offset to the Survivor Benefit Plan (SBP). DIC is a special indemnity (compensation or insurance) payment that is paid by the Department of Veterans Affairs (VA) to the survivor when the servicemember's service causes his or her death. It is a flat rate monthly payment of $1,033 for the surviving spouse and $257 for each surviving child. The SPB annuity, paid by the Department of Defense (DOD) reflects the longevity of the service of the military member. It is ordinarily calculated at 55 percent of retired pay. Those who give their lives for their country deserve more fair compensation for their surviving spouses. NMFA

urges Congress to authorize legislation to eliminate the offset and to provide funding necessary to implement such legislation.

Wounded Service Members Have Wounded Families

Post-deployment transitions could be especially problematic for injured servicemembers and their families. NMFA asserts that behind every wounded servicemember is a wounded family. Spouses, children, parents, and siblings of service members injured defending our country experience many uncertainties. Fear of the unknown and what lies ahead in future weeks, months, and even years, weighs heavily on their minds. Other concerns include the injured servicemember's return and reunion with their family, financial stresses, and navigating the transition process to the VA. When designing support for the wounded/injured in today's conflict, the government, especially the VA, must take a more inclusive view of military families. Those who have the responsibility to care for the wounded servicemember must also consider the needs of the spouse, children, and the parents and siblings of single servicemembers.

COMPENSATION AND BENEFITS

NMFA appreciates the pay raises for servicemembers over the past several years. They serve as both an acknowledgement of service and recognition of the need for financial incentives as a retention tool. As DOD prepares its Quadrennial Review of Military Compensation, NMFA hopes that Congress, in evaluating its recommendations, considers the effects of those recommendations on the whole pay and compensation package. Changes in individual elements of that package can have unintended consequences on other elements or on the package as a whole. And, while pay raises are important, equally important is the need to maintain the non-pay benefit package that makes up such a vital part of military compensation.

Funding for Commissaries, MWR and Other Programs

Commissaries, exchanges, recreational facilities and other Morale, Welfare, and Recreation (MWR) programs are an integral part of military life and enhance the overall quality of life for servicemembers and their families. Respondents to NMFA's recent survey on military benefits spoke emphatically about the value of commissaries, exchanges, and MWR programs. This spring, as in previous years, NMFA has been dismayed to hear from families and installation leaders that installations are being forced to cut MWR services, reduce child development center hours, and limit access to facilities because of the shortage of base operating funds. At high deployment installations, just when families needed them the most, they are routinely being asked to do without. Commanders should not have to make a choice between paying the installation utility bills or providing family support services. While we understand the Services have obligated additional funds to installation operations accounts, we still hear from families that some services are being cut back or that these accounts are being funded at less than 100 percent of the need. We urge increased funding for installation operations so that valuable support programs remain available to communities undergoing the multiple stresses of deployment and high operations tempo at home.

FAMILIES AND COMMUNITY

Military families are members of many communities. NMFA has heard how these communities want to help the uniformed service families in their midst. As the sacrifice of servicemembers and families continue in the global war on terror, many States have implemented military family friendly programs and passed legislation to support families. NMFA applauds the States assisting servicemembers and their families with in-State tuition, unemployment compensation for spouses, licensing reciprocity, and education and sports provisions for military children. The DOD State Liaison office works to promote these policies and publicizes them on the DOD website USA4MilitaryFamilies.org, a web forum for sharing information about State and local initiatives to support military families.

Concern for deployed servicemembers from North Carolina, and compassion for their loved ones left behind, prompted the creation of a unique partnership to help the combatants' families, particularly those in remote areas. The Citizen-Soldier Support Program (CSSP) is a collaborative effort, funded by Congress through a DOD grant, and coordinated by the University of North Carolina at Chapel Hill. CSSP is designed to mobilize communities and make them aware of the needs of local military families so people can reach out and help when help is needed. The program is designed as a preventative measure, as opposed to a crisis-response structure, to help with little things before they become big things. The support program uses existing agencies within counties and communities to broadcast the needs

of military families. Other States have expressed interest in starting similar programs. We hope North Carolina will be the training center to expand the program to other States and communities.

NMFA recommends increased funding for community-based programs, including the North Carolina Citizen-Soldier Support Program, to reach out to meet the needs of geographically dispersed servicemembers and their families.

NMFA would like to thank these military community members, especially the community organizations, schools, youth groups, fraternal and service groups, and churches, who reach out the military families in their midst and offer them support, a hug, a listener, a lawn mowed, a tire changed. They too are part of the tapestry of support. By keeping military families strong, they are ensuring the force will remain strong.

Senator INOUYE. Our next witness is Brigadier General Stephen Koper, retired, President of the National Guard Association of the United States. General Koper, welcome, sir.

STATEMENT OF BRIGADIER GENERAL STEPHEN KOPER, UNITED STATES NATIONAL GUARD (RETIRED), PRESIDENT, NATIONAL GUARD ASSOCIATION OF THE UNITED STATES

General KOPER. Thank you, Senator Inouye, and thanks to you, Chairman Stevens, and members of the subcommittee for the opportunity to testify before you again today. The National Guard Association thanks you for your many years of outstanding support to the National Guard.

I want to share with you a couple of critical resources so necessary for the National Guard to carry out its growing role in the Nation's defense. It comes as no surprise to this subcommittee that these items are holdovers from our testimony 1 year ago.

While we are encouraged by the establishment of TRICARE Reserve Select 2 years ago, a program where members earn medical coverage through deployments, and then the addition of a tiered system which provides for two more categories of health care coverage for the Guard and Reserve, we do not believe it offers the final answer. More importantly, we have created a system of haves and have-nots within the Guard and Reserve, each category of member having a level of merit for health care coverage as reflected by a higher or lower premium rate.

This is the sixth year that our association has brought the health care issue before you. We appreciate the efforts made here on the Hill to provide for our soldiers and airmen, and we hope that you will join with the House in providing language that would bring us to a simple one level of premium program for all members of the Guard and Reserve who are members of drilling units.

Another issue of serious concern is full-time manning for the Army National Guard. While already engaged in conflicts worldwide, the Army National Guard continues to prepare for future missions. The vision of a more responsive force capable of full spectrum dominance to meet threats whenever and wherever they arise is a reality for the National Guard. The National Guard Association has worked with Congress to effect an Army National Guard full-time manning ramp to 71 percent over a 10-year period by 2012.

The United States Army validated the ramp and began funding in fiscal year 2003, and has continued funding this requirement through fiscal year 2006.

The National Guard Association believes there is a requirement to reach the 71 percent of full-time manning level by 2010, versus

the target of 2012. The full-time manning issue will bear even closer scrutiny as the Army National Guard continues to transform, modularize, and reset. No matter what final decisions are made on Guard end strength and force structure, the availability of full-time manning is paramount to the Guard's continued success.

I want to turn now to a concern that goes to the very heart of the National Guard. Bold and innovative Members of the Senate and the House and have recently introduced Senate 2658 and its companion, H.R. 5200, the National Defense Enhancement and National Guard Empowerment Act of 2006. This legislation offers solution to the institutional bias within the Active components that has plagued the National Guard, or militia, since the birth of the Republic. In our view, this situation can no longer be swept under the rug. We must do all that we can to provide the American people the most cost-effective defense structure. Certainly we believe that structure in many cases is the National Guard.

The Department of Defense announced this week its opposition to all sections of S. 2658, and launched a campaign in Congress to either delay consideration of the legislation by referring it to the Commission on the National Guard and Reserve, or to dismiss the bill completely on the grounds that neither the Chairman of the Joint Chiefs, nor the Secretary of Defense, believe the changes are either necessary or warranted.

Unfortunately, this same dismissive response to the Guard reaching out to be heard as strategic level force structure, policy, and funding decisions are being made, is the very reason this legislation is needed. Senior Pentagon officials will openly tell you that the Guard has been and is at the table, and that except for a few isolated incidences, their inputs are being regularly factored into decisionmaking.

If that were true, then why wasn't the Guard in the huddle for the Quadrennial Defense Review, and other high-level budget debates that ultimately led to proposed cuts of 17,000 personnel in the Army Guard, and 14,000 less in the Air National Guard? The fact of the matter is that senior Guard leadership has only been involved in Pentagon decisionmaking as an afterthought, requiring the Adjutants General, Governors, Congress, this association, and others, to launch vigorous campaigns to reverse decisions that were made without adequate Guard input. Action by the Senate was necessary to remind the Army of this very fact earlier this year.

The Guard's only goal is to have a seat at the table, and a relative voice in the decisions that affect our readiness. Based on the Pentagon's standard response to these entreaties, we now have the National Guard Empowerment Act of 2006 as a means to achieve the level of Defense Department involvement we have earned and deserve.

In closing, NGAUS would ask that this subcommittee lend its full support to favorable consideration of S. 2658. While the Secretary of Defense is wont to say the war on terror could not be fought without the National Guard, clearly a serious disconnect still exists. Senator Inouye, our thanks to you and Chairman Stevens and the subcommittee, for the opportunity. I'll be glad to answer any questions.

[The statement follows:]

PREPARED STATEMENT OF STEPHEN M. KOPER

Chairman Stevens, Members of the committee, thank you for this opportunity to testify before you again today and the National Guard Association thanks you for your many years of outstanding support to the National Guard.

I want to share with you a couple of those critical resources so necessary for the National Guard to carry out its growing role in the Nation's defense. It comes as no surprise to this committee that these items are hold-overs from our testimony 1 year ago.

At the top of that list of resources is access to health care. The National Guard Association believes every member of the National Guard should have the ability to access TRICARE coverage, on a reasonable cost-share basis, regardless of duty status.

While we are encouraged by the establishment of TRICARE Reserve Select 2 years ago, a program where members "earn" medical coverage through deployments, and the addition of the "tiered system" which provides for two more categories of health care coverage for the Guard and Reserve, we don't believe it offers the final answer. More importantly, we have created a system of haves and have-nots within the Guard and Reserve, each category of member having a level of merit for health care coverage as reflected by a higher or lower premium rate.

This is the sixth year that our association has brought the health care issue before you. We appreciate the efforts made here on the Hill to provide for our soldiers and airmen. From the beginning we have felt that there were some underlying justifications for our health care proposal:

—Healthcare coverage for our members is a readiness issue. Guard members called to duty are expected to be "ready for duty".

—TRICARE coverage for all would finally end the turbulence visited on soldiers and their families who are forced to transition from one health care coverage to another each time they answer the Nation's call.

—Access to TRICARE would also be a strong recruitment and retention incentive. In an increasingly challenging recruiting/retention environment, TRICARE could make a significant difference.

Currently TRICARE language to accompany H.R. 5122 (NDAA) is in place. This section would provide coverage under the TRICARE Standard program to all members of the Selected Reserves and their families while in a non-active duty status. Participants would be required to pay a premium that would be 28 percent of the total amount determined by the Secretary of Defense as being reasonable for the TRICARE coverage. Further, it would repeal the three tiered cost share TRICARE program for reserves established by the fiscal year 2006 National Defense Authorization Act. We believe this is the appropriate solution. We are seeking similar language from the long-time TRICARE stalwarts here in the Senate. We earnestly request this committee's support for such action.

Another issue of serious concern is full time manning for the Army National Guard. While already engaged in conflicts worldwide, the Army National Guard continues to prepare for future missions. The vision of a more responsive force capable of full-spectrum dominance to meet threats whenever and wherever they arise is a reality for the National Guard.

The National Guard Association of the United States has worked with Congress to affect an Army National Guard full-time manning ramp to 71 percent over a 10-year period (by 2012). The United States Army validated the ramp and began its funding in fiscal year 2003 and has continued funding this requirement through fiscal year 2006. The National Guard Association of the United States believes there is a requirement to reach the 71 percent full-time manning level by 2010 versus the current target of 2012.

The full-time manning issue will bear close scrutiny as the Army National Guard continues to transform, modularize and reset. No matter what final decisions are made on Guard end strength and force structure, the availability of full-time manning is paramount to the Guard's continued success.

This committee has always been particularly sensitive to the equipment needs of the National Guard and generous in funding the National Guard and Reserve Equipment Account (NGREA). Mr. Chairman, each and every dollar that has been appropriated over the years in this account has purchased combat capability. This account is absolutely essential to both the Army and Air National Guard and we thank you for your continued support of NGREA.

I want to turn now to a concern that goes to the very heart of the National Guard. Bold and innovative Members of the Senate and House have recently introduced S. 2658 and its companion H.R. 5200, The National Defense Enhancement and National Guard Empowerment Act of 2006. This legislation offers solutions to the insti-

tutional bias within the active components that has plagued the National Guard (militia) since the birth of the Republic. In our view, this situation can no longer be swept under the rug. We must do all that we can to provide the American people with the most cost effective defense structure. Certainly we believe that structure, in many cases, is the National Guard.

The Department of Defense announced this week its opposition to all sections of S. 2658 and launched a campaign in Congress to either delay consideration of the legislation by referring it to the Commission on the National Guard and Reserves or dismiss the bill completely on the grounds that neither the Chairman of the Joint Chiefs or Secretary of Defense believes the changes are either necessary or warranted.

Unfortunately, this same dismissive response to the Guard reaching out to be heard as strategic level force structure, policy, and funding decisions are being made is the very reason this legislation is needed. Senior Pentagon officials will openly tell you that the Guard has been and is "at the table" and that except for a few isolated incidences, their inputs are being regularly factored into strategic decisionmaking. If that were true, then why wasn't the Guard "in the huddle" for the Quadrennial Defense Review (QDR) and other high level budget debates that ultimately led to proposed cuts of 17,000 personnel in the Army National Guard and 14,000 less in the Air National Guard.

The fact of the matter is that senior Guard leadership has only been involved in Pentagon decisionmaking as an afterthought, requiring the adjutant's general, governors, Congress and NGAUS to launch vigorous campaigns to reverse decisions that were made without adequate Guard input. Action by the Senate was necessary to remind the Army of this very fact earlier this year.

The Guard's only goal is to have a seat at the table and a relative voice in the decisions that affect our readiness. Based on the Pentagon's standard response to these entreaties, we now have the National Guard Empowerment Act of 2006 as a means to achieve that level of Defense Department involvement we have earned and deserve.

In closing, NGAUS would ask that this committee lend its full support to favorable consideration of S. 2658. While the Secretary of Defense is wont to say, "The War on Terror could not be fought without the National Guard", clearly a serious disconnect still exists.

Mr. Chairman, Members of the committee, I sincerely thank you for your time today and am happy to answer any questions.

Senator INOUYE. I thank you very much, General. What are the latest statistics relating to recruiting and retention in the Army National Guard?

General KOPER. The Army National Guard recruiting slope is definitely strongly up. We did suffer a minor setback in April. However, we believe, the Chief of the National Guard Bureau has said in testimony, he believes they will meet the 350,000 authorized strength by the end of the fiscal year. They have a tremendously innovative Guard Recruiting Assistant Program (G–RAP) recruiting program that is doing wonders. Individual guardsmen are bringing other recruits in and receiving bonuses for that, and true to the American spirit, they are great marketeers. They are doing a pretty fantastic job.

Senator INOUYE. That is encouraging. Thank you very much, sir.

General KOPER. Thank you, sir.

ADDITIONAL SUBMITTED STATEMENTS

Senator INOUYE. That is the last of the witnesses.

If there are any additional statements from witnesses, they will be included in the record.

[The statements follow:]

PREPARED STATEMENT OF THE NATIONAL BRAIN INJURY RESEARCH, TREATMENT, & TRAINING FOUNDATION

My name is Dr. George Zitnay, and I am the founder of the National Brain Injury Research, Treatment and Training Foundation (NBIRTT)[1] and a co-founder of the Defense and Veterans Head Injury Program (DVHIP). On behalf of the thousands of military personnel sustaining brain injuries, I respectfully request $19 million be provided in the Department of Defense (DOD) Appropriations bill for fiscal year 2007 for the Defense and Veterans Head Injury Program (DVHIP). This request includes the $7 million in the DOD's POM, and an additional $12 million to allow the important work of the program to continue during this critical time in the war on terrorism.

TRAUMATIC BRAIN INJURY IS THE SIGNATURE INJURY OF THE WAR ON TERRORISM

Over 1,500 military personnel involved in the global war on terror have been seen and treated by DVHIP. At Walter Reed alone, over 650 soldiers with brain injuries from Iraq and Afghanistan have been treated. Forty percent of those injured in a blast/explosion and seen at Walter Reed had a traumatic brain injury. A little more than half (50 percent) of these injuries are moderate to severe and will require life long support.

One of the greatest challenges the military health care and veterans systems face is to assure that no one falls through the cracks. More than ever we need congressional support to provide for active duty soldiers and veterans who suffered a brain injury in Iraq and Afghanistan, as a result of explosions, penetrating head injury, crashes, and other assaults.

Improved body armor, the significance of even mild brain injury, and the high frequency of troops wounded in blasts all lead to blast-induced TBI being an important health issue in this war. Many of the soldiers and veterans with brain injury treated by DVHIP also have Post Traumatic Stress Disorder and other medical complications.

THE DEFENSE AND VETERANS HEAD INJURY PROGRAM (DVHIP)

The DVHIP is a component of the military health care system that integrates clinical care and clinical follow-up, with applied research, treatment and training. The program was created after the first Gulf War to address the need for an overall systemic program for providing brain injury specific care and rehabilitation within DOD and DVA. The DVHIP seeks to ensure that all military personnel and veterans with brain injury receive brain injury-specific evaluation, treatment and follow-up.

Clinical care and research is currently undertaken at seven DOD and DVA sites and two civilian treatment sites.[2] In addition to providing treatment, rehabilitation and case management at each of the nine primary DVHIP centers, the DVHIP includes a regional network of additional secondary veterans' hospitals capable of providing TBI rehabilitation, and linked to the primary lead centers for training, referrals and consultation. This is coordinated by a dedicated central DVA TBI coordinator and includes an active TBI case manager training program.

DVHIP continues to ensure optimal care, conduct clinical research, and provide educational programs on TBI for Active Duty military and veterans. All DVHIP sites have maintained and many have increased treatment capacity. This has been a direct response to the influx of patients seen secondary to Operation Iraqi Freedom (OIF) and Operation Enduring Freedom (OEF). WRAMC receives more casualties from theater than all of the other military treatment facilities (MTFs) in the continental United States. Patients are often seen at WRAMC within a week or two after injury and many of these patients have multiple injuries (e.g., TBI, traumatic amputations, shrapnel wounds, etc.).

To meet the increased demand, screening procedures were developed by DVHIP headquarters and clinical staff. The DVHIP clinical staff reviews all incoming casualty reports at WRAMC and screens all patients who may have sustained a brain injury based on the mechanism of injury (i.e., blast/explosion, vehicular accident, fall, gunshot wound to the head, etc.). DVHIP screening is catching TBI patients

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[1] NBIRTT is a non-profit national foundation dedicated to the support of clinical research, treatment and training.

[2] Walter Reed Army Medical Center, Washington, DC; James A. Haley Veterans Hospital, Tampa, Florida; Naval Medical Center San Diego, San Diego, California; Minneapolis Veterans Affairs Medical Center, Minneapolis, Minnesota; Veterans Affairs Palo Alto Health Care System, Palo Alto, California; Virginia Neurocare, Inc., Charlottesville, Virginia; Hunter McGuire Veterans Affairs Medical Center, Richmond, Virginia; Wilford Hall Medical Center, Lackland Air Force Base, Texas; Conemaugh Health System, Johnstown, Pennsylvania.

that might otherwise go undetected, posing a potential threat to patients and, in the case of premature return to Active Duty, military readiness.

To date, DVHIP staff has accomplished the following:

Clinical Care

Developed the Military Acute Concussion Evaluation (MACE) for use in all operational settings, including in-theater.

Developed management guidelines for mild, moderate, and severe TBI in-theater.

Established a telemedicine network linking DVHIP's military and VA sites.

Initiated a care coordination capacity for persons with TBI in regions remote from one of the DVHIP core sites. Still needed (and planned if funding is available) are greater treatment capacity, particularly at the community reentry level, and an expanded care coordination system that meets the special needs of persons with TBI and is widely distributed across the country.

Research

Commenced multiple new projects and collaborations focused on defining and understanding blast-related TBI.

Continued active medication treatment trials for TBI-related symptoms.

Presented preliminary scientific reports on patterns of TBI emerging from OIF and OEF.

Initiated development of a clinical platform for the testing of a promising novel rehabilitation intervention for TBI based on animal experiments with environmental enrichment.

Still needed (and planned if funding is available) are more DVHIP-based investigators and other research personnel to address further the many TBI-related issues emerging from OIF and OEF.

Education and Training

Developed a syllabus for training first responders in the management of moderate and severe TBI in-theater.

Developed the first two modules of a course for first responders and other clinicians in the assessment and management of mild TBI.

Initiated a public awareness campaign on TBI called "Survive, Thrive, & Alive," the centerpiece of which is a documentary on TBI in military and veterans that will be released this summer.

Developed an outreach team to train clinical personnel at non-DVHIP sites in the assessment and management of mild TBI.

Still needed (and planned if funding is available), is to build on the public awareness campaign and develop a broadly available multimedia educational capacity for military and veteran TBI patients, their families, clinicians, and all other persons who are touched by this significant public health problem.

OUR INJURED TROOPS NEED SUPPORT

There is no cure for brain injury. That is why the research being carried out by DVHIP is critical. We must find a way through research to help our injured soldiers with brain injury to return to as near normal life as possible.

Since many of the soldiers with brain injuries will have life long needs resulting from their injuries, we need to make sure community services are available wherever the soldier lives. This will be done through local case management program and linkage to DVHIP sites.

DVHIP has reached out to screen troops returning from the field to make sure no one with a brain injury falls through the cracks. Teams from DVHIP have been sent to Fort Dix, Fort Campbell, Fort Knox, Camp Pendleton, Fort Carson, Fort Irwin, Fort Bragg, Tripler Army Medical Center and others as requested by base commanders. Teams have also traveled to Landstuhl Regional Medical Center in Germany to provide evaluation and treatment on an ongoing basis. The DVHIP is an important tool to assure a continuum of care, but the program requires additional resources to assure that no TBI is overlooked or misdiagnosed.

$19 MILLION IS NEEDED IN FISCAL YEAR 2007 FOR THE DVHIP

The DVHIP needs a plus up of at least $12 million to care for these injured soldiers and their families. Last year Congress instructed the DVHIP to move to Fort Detrick. This has been accomplished. Our request for the DVHIP is simple. In addition to the $7 million in the POM, the DVHIP needs a minimum of $12 million dedicated to the work of the DVHIP to provide state-of-the-art care to brain injured soldiers regardless of where they live, and to continue our scientific research aimed at improving outcomes from brain injury, especially from blast injuries.

Please support $19 million for the DVHIP in the fiscal year 2007 Defense Appropriations bill under AMRMC, Fort Detrick to continue this important program.

Thank you.

PREPARED STATEMENT OF VIETNAM VETERANS OF AMERICA

Chairman Stevens, ranking member Inouye, and distinguished Senators of the Defense Subcommittee of the Committee on Appropriations, on behalf of VVA National President John P. Rowan and all of our members, we thank you for giving Vietnam Veterans of America (VVA) the opportunity to make our views known about the fiscal needs of America's service persons and our soon-to-be veterans.

THE SEARCH FOR AMERICA'S MIA/POWS

First and foremost, I wish to note that the highest priority of VVA for 25 years has been, achieving the fullest possible accounting of those who are still unaccounted for in Vietnam. Today there are 1,805 missing and unaccounted for since the end of the Vietnam War since 1975; 1,380 in Vietnam, 364 in Laos, 54 in Cambodia and 7 in PRC territorial waters. VVA commends the Defense Prisoners of War and Missing in Action Office (DPMO) for their outstanding work in assisting with the recovery of our missing Americans.

The Joint POW/MIA Accounting Command (JPAC) budget for 2006 fell about $3.6 million short and caused the cancellation and scaling back of many investigative and recovery operations. VVA urges Congress to ensure JPAC receives the dedicated funding level of $65 million in fiscal year 2007 and that JPAC funding be a mandatory single line item budget just as DIA's Stoney Beach Team and DPMO so that these accounting operations don't have to compete with other funding priorities.

Mr. Chairman, every President since President Gerald Ford has noted that the Nation's highest priority is the fullest possible accounting for our Missing in Action (MIAs), whether they be Prisoners of War or that this activity be recovery of remains, and returning these remains to American soil. In any case, resolution for the families involved is essential and we urge this distinguished body, as we approach Memorial Day and as "Rolling Thunder" is bearing down on the Capitol in honor of POW/MIAs, and to press for the fullest possible accounting of our MIAs and POWs, to ensure that the resources are there to do the job right.

TRICARE

VVA strongly opposes the inordinate and unfair increases being discussed for TriCare recipients. These increases would impose yet another disincentive for patriotic Americans to serve their career in uniform defending our Nation, and do great injustice to those who have already done so, and to their families.

DOD claims rising health costs impinge on weapons programs. The Joint Chiefs endorse the fee hikes because their leaders tell them that this is the only way there will be enough money to fund needed weapons systems, new equipment, and other materiel needed for the defense of the Nation.

For senior Department of Defense leadership to juxtapose caring for service members and former service members when they become veterans with acquiring hardware is so outrageous that it should be cause for public chastisement by the President. If memory serves, the leadership of the Senate Armed Services Committee did rebuke that official at the first public declaration, in a bi-partisan manner. Yet the persistent pattern that would translate this unfortunate attitude into policy and practice continues unabated. You have the ability to call a halt to this affront to the men and women of our Armed Forces by stopping the proposed sharp increases in TriCare cost-shifting to the service members and their families.

Those who prepare the Defense budget request assume the changes will save money by causing hundreds of thousands of retirees to stop using their earned military benefits. This is a morally wrong policy. Top DOD leaders continue to say fees should bring military closer to civilian practices. Military service is not analogous to civilian-sector jobs. Some of those who maintain that it is would better understand if they had personally had the honor and privilege of serving our country in the military, particularly during wartime. Any comparison with private sector benefits and health care practices is simply mistaken and inappropriate.

Traditionally, providing first rate military medical and retirement benefits have helped make up for the pay differentials with the private sector, and serve as something of a reward for enduring many years of often very difficult service. The medial care of retirees is not low-cost or no-cost. Rather, it is a "pre-paid" medical cost by virtue of a hard 20 years or more of military service and sacrifice. Recruiting prob-

lems today show few Americans are willing to pay that heavy premium for that benefit.

VVA notes that the DOD proposed increases for health care would far outstrip annual retired pay increases and would greatly erode retired compensation value. Again this year, as was the case in the last few years, Congress wisely has refused to accept VA health fee increases for veterans who are not service connected disabled who had served as few as 2 years.

Tripling and quadrupling fees for those who served their best adult years in uniform would be even more inappropriate than charging non-career veterans exorbitant fees at VA. Our government has a moral obligation to provide benefits commensurate with the extraordinary commitments it demands from career service members.

VVA notes that dramatically raising TriCare to what for many retirees will be virtually unaffordable levels will also drive many retirees, particularly those who are service-connected disabled, into what is already an overburdened and under-funded VA healthcare system. While the care at VA is excellent when access is gained, there just are not enough personnel to meet the demand as it is. The additional burden of driving retirees to that system will only displace the burden in an inappropriate manner.

Although we would certainly hope this is not the case, perhaps it is the explicit or inadvertent wish of some at DOD to foist their responsibilities for the health of service members and former service members off onto the VA in a less than responsible manner. Whether this is the intent or not, it would certainly be the effect. However, we trust that this subcommittee will not allow such tactics, recognizing that caring for the men and women who have faithfully and honorably served our Nation is in fact an indispensable element of the essential cost of national defense, and keeping America free.

ELIMINATE THE "WIDOWS" TAX

VVA strongly urges that fiscal year 2007 must be the year that we as a Nation move to eliminate the "widow's tax." I speak of course of the situation in which there is a dollar-for-dollar reduction in Dependency and Indemnity Compensation (DIC) vs. the Survivor Benefits Plan (SBP) annuity payments. VVA encourages the Senate not wait for the Veterans' Disability Benefits Commission report to do what is so clearly the right thing. VVA urges that you end the dollar-for-dollar deduction of VA benefits for service-connected deaths from survivors' SBP annuities.

Further, we urge that you move the effective date of the 30-year paid-up SBP coverage to October 1, 2005, (this measure affects retired military who pay for SBP). VVA believes that there is no justification for further delay in eliminating what is essentially an unjust tax on widows of our service members.

RESEARCH: EXTRACORPOREAL SHOCKWAVE THERAPY (ESWT)

The number and variety of burns and other terrible wounds afflicting OIF/OEF veterans have caused great problems with regenerating tissue and skin over significant sections of the bodies of our wounded soldiers and marines. VVA participated in a briefing last weekend with Admiral Donald Arthur, Surgeon General of the Navy, and many key staff of the Walter Reed Army Medical Center and the National Naval Medical Center (Bethesda) regarding ESWT or a private company, Tissue Regeneration Technologies (TRT), which is bringing this technology to the United States, made this compelling presentation. All are intersted in bringing this hopeful new technology to our wounded.

The MTS 180 multiwave device is quite simple to use, takes minimal time and effort to apply, and most importantly has been demonstrated clearly to do no harm. There will be a direct benefit for U.S. soldiers wounded in battle should this be approved. TRT believes, as does the clinical staff at WRAMC and NNMC, that the multiwave device can provide much quicker healing of the war wounds presented and thus save limbs from amputation and have each young man and woman return to a more normal life with their families after their duty in the military. The device promises to have a huge impact on those patients who have a difficult time recovering from wounds received in the line of duty.

Research on this therapy worldwide has demonstrated ingrowth of new blood vessels in areas lacking such, destruction of bacterial pathogens, production of growth factors and other processes that lead to healing of tissues (bone and skin) in a rapid fashion. TRT has agreed to donate a device to the WRAMC, assist in writing the protocol, and provide Dr. Wolfgang Schaden (with TRT) expertise, training and guidance for a study involving those wounded men and women. The Henry M. Jackson Foundation has agreed to assist in supporting this effort. The end goal, should the

device prove efficacious, would be to provide devices on the field of battle that would readily support limb- and life-saving therapy.

What is needed is approximately $17 million specifically designated large-scale study that would involve WRAMC, NNMC, and hopefully the Uniformed Services University (USU), and the National Institutes of Health (NIH) in assembling a combined Institutional Review Board (IRB), and for actually conducting a rigorous clinical outcomes study of this seemingly extraordinary tool.

An additional benefit of ensuring that this is collaborative effort or with a common protocol IRB is to set the stage for many other vitally needed clinical research projects that are likely to directly and immediately help to provide even more magnificent care than our grievously wounded are already receiving today. The cooperation of the Department of Veteran Affairs is all that is needed to make this a complete loop, and assist with strengthening the continuum of care for the seriously wounded and injured.

DISPOSITION OF THE AIR FORCE HEALTH STUDY (AFHS) DATA AND SPECIMENS

The Air Force Health Study (AFHS), more commonly known as the "Ranch Hand Study," is coming to a close. This study, which has spanned more than 25 years (1979 to the end date of September 30, 2006), has produced a wealth of data about the participants. In addition, there are more than 60,000 blood and tissue samples (biospecimens) that the AFHS never had the time or resources to even test, much fully analyze.

In response to the mandate of being directed to do so pursuant to Public Law 108–183, the Secretary of Veterans Affairs contracted with the Institute of Medicine (IOM) of the National Academies of Sciences to consider the question of whether this data and biospecimens should be retained for future analysis and additional study; and, if so, where the repository of these biospecimens and data sets should be, in order that the integrity of the data and physical samples be preserved and that the chain of custody be maintained.

The IOM recommended three possible sites for this repository, assuming that arrangements and permission can be obtained from the National Archives: one of the two Epidemiological Information and Research Centers (ERICs) of the Department of Veterans Affairs; and, the Medial Follow-Up Agency (MFUA) of the Institute of Medicine.

Vietnam Veterans of America testified that the only one of these three that everyone could have full confidence in was MFUA, as it has a history of exemplary and impartial scientific work extending back to at least World War II. However, any of these three options need additional resources to take on this burden. The IOM estimated that it will take up to $300,000 per year to manage and support the custodian's data management responsibilities, and approximately the same amount to care for the biospecimens. First-year costs would be higher because of the transfer and set-up costs.

The time is short, and the funds to maintain the data and biospecimens must be available on October 1, 2006 in order to maintain the chain of custody, keep the freezers on for the biospecimens, and handle all the myraid activities that must be done. Further, the IOM recommended that a minimum of 5 years would be needed, with at least $250,000 for small grants, to discover whether the reposited material and data are of the unique scientific value they are assured to have.

For all of the reasons outlined above, VVA strongly urges the subcommittee to make available $1 million for fiscal year 2007, with a commitment of $800,000 in each of the succeeding 4 fiscal years, and direct that the data be transitioned to the Medical Follow-Up Agency (MFUA) of the Institute of Medicine (IOM) of the National Academies of Science (NAS). Further, VVA asks that report language direct the Air Force to ensure that there is no lapse in the transition, and that the physical integrity and chain of custody be fully maintained, whether by Air Force personnel or by the current contractors working on the AFHS.

HEALTH CARE SCREENING FOR DEPLOYING AND RETURNING TROOPS

The force readiness plan being developed by the Pentagon at the behest of Congress must include a full medical examination, to include a blood draw and a psychosocial history by a qualified clinician, for all troops prior to their deployment overseas and upon their redeployment. This must include a face-to-face mental health care encounter. VVA is greatly perturbed by reports of troops on heavy medications being sent to the war zones, and of those who receive mental health profiles while in Iraq or Afghanistan being sent back into combat situations.

The traditional role of military medicine has always been "Force Readiness," i.e., how quickly can service members be returned to full duty with a minimal expendi-

ture of resources, and delivery of treatment as far forward as possible. In the past 10 years, there has been an effort to shift to a model of "Force Health Protection" that seeks to safeguard to long-term health of the individual service member and reduce or avoid severe health consequences of military service in the future. However, when there is a situation such as exists today, where virtually every service member (or member of the National Guard or Reserves) is needed to maintain the mission, "Force Readiness" trumps all other considerations.

MENTAL HEALTH AND PTSD

The problem is that sending troops back into the war zone for a forced second or third tour, including those who already have Post-Traumatic Stress (PTSD) problems, is to ensure that the severity and chronicity of the problems that these individuals will suffer in the future will be much more acute. News reports that many who are already on medication, including psychotropic and/or heavy anti-depression medications because of mental health problems stemming from their previous tour(s), are also being forced to deploy yet again are really disturbing.

DOD has long discriminated against anyone who has come forth to report any such problems, causing service members who wish to stay in the service and wish to be promoted not to seek help from military medical personnel, but rather to self medicate and/or seek help at their own expense from civilian sources. Now it seems that DOD wants to have it both ways, i.e., not promote these service members but still send them back to the war zone knowing this will worsen and/or exacerbate their condition. How many suicides or breakdowns in the field will it take to stop this shortsighted approach?

Similarly disturbing are reports that both Army and Navy physicians have been forbidden to use the diagnosis of Post Traumatic Stress Disorder, which is in the Diagnostic and Statistical Manual (DSM–IV), as a valid diagnosis. Rather, we understand that military physicians at many sites are instructed to use "combat stress," or "personality disorder," or other euphemisms in their notes, despite the fact that these euphemisms are not defined, validated, or recognized by the American Psychiatric Association (APA), the American Medical Association (AMA), or any other legitimate medical entity. This is apparently being done despite the fact that many of these individuals clearly meet all or many of the 14 classic symptoms of PTSD. Why would anyone do that? The answer is that because it is not a recognized diagnosis, it does not qualify the service member for a medical retirement.

Because our newest veterans appear to be suffering the psychological stresses and disorders in far greater numbers than even the Vietnam generation, it is imperative that after deployments a system of acute stress counseling and PTSD counseling be emplaced, a system that is funded by DOD and delivered by VA personnel and private practitioners. What is needed is some sort of "firewall." If the individual gets better, then he or she will pass their pre-deployment face-to-face mental health encounter, and be stronger for having admitted to the problem and getting effective help. If they are experiencing mental health difficulties, then that same clinical encounter will screen them out, whether they have sought treatment or not.

This counseling must be made available to Reservists and members of the National Guard and their families in addition to active-duty troops when they have returned. As about 60 percent of the Guard and Reserve members live in towns of 2,500 or less, there needs to be creative solutions in order to get these folks the help they and their families so often need. To treat PTSD in the service member or veteran, one must treat the whole family or the chances of success are greatly diminished. Currently there is little or nothing being done for the Guard and Reserve members, or their families, who are far from any military hospital, or even a VA facility.

In this same regard, reports persist that the problem documented by Senators Bond and Leahy (co-chairs of the National Guard and Reserve Caucus in the Senate) 3 years ago that National Guard and Reserve troops were waiting inordinately long periods for medical care at military medical facilities has not gone away, and in fact is again becoming widespread. Much of the problem, VVA believes, is that like most of the military, the military medical organizational capacity has been too far downsized in the name of "streamlining" and "modernizing." We urge the subcommittee to increase the funding allocation for the number of physicians and allied healthy care personnel for fiscal year 2007, with appropriate report language that directs DOD to track the care and waiting periods of these individuals, who are so vital to the total force concept, to ensure that they are not being treated as "second class citizens" in the military medical system, thereby worsening the medical conditions of these soon-to-be veterans.

MILITARY SEXUAL TRAUMA

It has become clear in the last decade that sexual harassment and sexual abuse are far more rampant than what had been acknowledged by the military. Reported instances of sexual harassment and abuse represent only the tip of the proverbial iceberg. While we are pleased that both the Departments of Defense and Veterans Affairs seem now to be taking this seriously, finally explicitly acknowledging sexual trauma as a crime under the Uniform Code of Military Justice (UCMJ) in the Defense Authorization Act of 2005, there is still a long road to travel to change the current atmosphere that conditions victims of sexual abuse to not report this abuse to authorities. VVA urges you to include report language directing a comprehensive review of the penalties for military sexual trauma under the Uniform Code of Military Justice to determine if the penalties are commensurate with the offenses, and to act to ensure uniform enforcement in all branches of the military, and to explore such mechanisms to achieve quality assurance on uniformity of enforcement such as a worldwide Internet address and a nationwide toll-free number, that would be staffed by counselors 24/7 trained to effectively assist, counsel, and refer service members (or family members) who have been the victim of sexual assault. VVA believes that only by means of such a mechanism that is not dependent on local command can there be uniformity of quality assistance and equal application of justice.

Further, VVA urges that report language direct DOD to do a better job of establishing a continuum of care for victims with the VA, so that these individuals go from the military into appropriate care at the VA nearest to their home.

NATIONAL VIETNAM VETERANS LONGITUDINAL STUDY (NVVLS)

While it is not specifically within the purview of this subcommittee, VVA brings to your attention the requirement in Public Law 106–419, The Veterans' Benefits and Health Care Improvement Act of 2000, that the VA contract to do a follow-up to the National Vietnam Veterans Readjustment Study, done some 20 years ago. Several of the distinguished Senators on this subcommittee are also on the Military Construction and VA Subcommittee, and all of the distinguished Senators are on the full Appropriations Committee. VA has delayed, dithered, and is now refusing to do the replication of the earlier study, utilizing the very same people—veterans who served in Vietnam, veterans who served in the Vietnam Era but who did not serve in Southeast Asia, and a non-veteran cohort matched for socio-economic and educational factors. The VA is now refusing to do the study, and is in defiance of the law and of the Congress. VVA believes that some in the VA and the Office of Management and Budget do not want to complete this study because of what they believe the results will be in terms of lifetime mortality and morbidities of combat veterans. As such, they are being contemptuous of the law and the Congress by their continued refusal.

As the Judiciary is loath to do so in cases such as this (where there is a dispute between the other two branches of government such as a study mandated by the Congress and the Executive branch does not do it), only the Congress can compel the Executive branch to complete this legally mandated study, and the only means to that is by means of the appropriations process. This study, known as the National Vietnam Veterans Longitudinal Study (NVVLS), must be funded—and the VA compelled to immediately re-initiate this statutorily mandated study and bring it to an early and proper conclusion.

The NVVLS represents the last best chance we have of understanding the nature and scope of the health problems of Vietnam veterans. The results of this study will also greatly assist Congress in planning not just for the health care needs of Vietnam veterans, but anticipating the long-term health care problems of our troops risking their lives in Iraq, Afghanistan, and elsewhere in the world today.

Line item funding for this study and strong explicit report language are needed to compel the VA to fulfill its responsibility to comply with the mandate set by Congress.

TRANSITION ASSISTANCE PROGRAM MUST BE MANDATORY FOR COMMANDERS

The greatest barrier to benefits and entitlements that soon-to-be separated veterans face is that they simply do not know about them. The "Transition Assistance Program" (TAP) has been developed in the past 20 years to help remedy this situation. Unfortunately, this program is very uneven. This is due partly because it is an ancillary duty for most of the people involved, whether they be from the VA, the State workforce development agency (funded by the Department of Labor-Veterans Employment and Training Service), or others in the veterans service matrix. The most important thing that this committee can do is direct that sufficient resources

be allocated for this program, and that successfully and effectively mounting TAP sessions for all personnel be made a mandatory item on the Officer Efficiency Report and evaluation for commanders.

It is imperative for their future and the well-being of the Nation that the transition from service member to fully employed veteran be achieved in the overwhelming majority of cases. This includes providing all the assistance needed especially for disabled veterans, to be able to obtain and sustain meaningful employment at a living wage. Much of the key to accomplishing this goal is simply provides useful information and educating the departing service member. Former service members who successfully transition into civilian life are the very best recruiters the services have, and a better-administered TAP program will greatly aid that effective and speedy transition.

Mr. Chairman, this concludes my remarks. Again, VVA thanks you for the opportunity to present our views here today regarding a number of essential points regarding the fiscal year 2007 Defense Appropriations legislation.

PREPARED STATEMENT OF THE COALITION OF EPSCOR/IDEA STATES

Mr. Chairman and Members of the subcommittee, thank you for the opportunity to submit this testimony regarding the Department of Defense basic scientific research program and the Defense Experimental Program to Stimulate Competitive Research or "DEPSCoR."

I am Royce Engstrom, Provost and Vice President for Academic Affairs at the University of South Dakota. I am also chair of the Coalition of EPSCoR/IDeA States, which is a non-profit organization that promotes the importance of strong science and technology research infrastructure, and works to improve the research competitiveness of States that have historically received less federal research funding. Previously, I was Vice President for Research at USD. I mention my background because I have had the opportunity to observe from several career points that there is great truth in the concept that all States and regions have impressive science and technology resources that can benefit mission agencies like the Department of Defense.

I am submitting this statement on behalf of the Coalition of 24 EPSCoR States in support of increasing the fiscal year 2007 budgets of both the Department of Defense's science and engineering research program for basic research, and an important component of that program, DOD's Experimental Program to Stimulate Competitive Research (DEPSCoR). These States have one-fifth of the Nation's academic science and engineers and represent an important resource for developing the pool of S&T talent that can serve DOD.

First, I would like to thank the chairman and the rest of the subcommittee for your leadership and long-term support of the Defense Departments science and technology programs. America's uniformed men and women benefit greatly from the high tech products produced through DOD funding. Academic basic research is the first step in the process of bringing discovery in the research labs to applied research and ultimately to development and product creation and availability for the front line.

The Coalition of EPSCoR/IDeA States strongly support increasing the Department's budget for basic research. The coalition urges the Congress and the administration to provide a significant investment in the Science and Technology (S&T) programs of the Department of Defense. The EPSCoR/IDeA States are in full agreement with the recommendation contained in the National Academies (NAS) report, *Rising Above the Gathering Storm*, and call for a 10-percent increase in basic defense research in fiscal year 2007.

DOD-funded research is an essential component to meeting both the economic and security challenges facing our Nation now and in the future In the past, national defense investments in science and engineering have helped to create a well-trained cadre of U.S. scientists and engineers and have provided important educational opportunities for several generations of soldiers, veterans, and citizens while strengthening our national and economic security.

DEPSCoR is a small, but significant, part of this larger, multi-faceted DOD research program. The coalition recommends that Congress appropriate $20 million to the Department of Defense budget for the DEPSCoR Program in fiscal year 2007. DEPSCoR was initially authorized by section 257 of the National Defense Authorization Act of 1995 (Public Law 103–337), and was created to help build national infrastructure for research and education by funding research activities in science and engineering fields that are important to national defense. DEPSCoR's objectives are: (1) To enhance the capabilities of institutions of higher education in DEPSCoR

States to develop, plan, and execute science and engineering research that is competitive under the merit review systems used for awarding federal research assistance; and (2) To increase the probability of long-term growth in the competitively awarded financial assistance that DEPSCoR universities in eligible States receive from the Federal government for science and engineering research.

I would now like to highlight a few "DEPSCoR-funded" success stories of research projects that have and are, presently, contributing to our national defense interests. In my own State of South Dakota, three significant research projects at the South Dakota School of Mines and Technology are under investigations through the DEPSCoR program. In one project, aluminum nanoparticles are being studied for their unique energy release characteristics, which can increase the metal acceleration from an explosive weapon. The particles also have potential use in primers, low-collateral warheads, and solid propellant additives. In another project, novel polycarbonate polymers are being developed for incorporation into transparent armor for face shields, goggles, and windshields. Finally, scientists are developing new "spintronic" devices that combine electronic, magnetic, and optical properties into a single chip, resulting in powerful devices that operate on a fraction of the energy of today's devices and with much less weight.

Projects from other EPSCoR states include:

—The University of Alaska Fairbanks' researchers at the Institute of Arctic Biology are examining the central human nervous system with potential applications for reducing the severity of combat casualties by extending the window of opportunity for transport to medical facilities.

—The University of Hawaii at Manoa's researchers are using DEPSCoR funding to improve tropical cyclone forecasts for the Joint Typhoon Warning Center, which is DOD's operational center for tropical cyclone forecasting in the Pacific and Indian Oceans.

—University of Kentucky researchers are working on a novel high-throughput Piezoelectric Technology, and have built and tested working prototypes and signal processing software. This will allow, for the first time, high-throughput genetic approaches that may answer fundamental questions about sleep and wake behavior. In turn, this knowledge is likely to suggest both new pharmacological and non-pharmacological approaches to deal with performance decrements from sleep disruptions that are so common during military operations.

—University of Montana researchers are working to understand the cause of oxidative stress in war fighters. This will have a direct impact on every soldier working in extreme environments while carrying heavy equipment. Often these men and women suffer from short-term impairment of metabolic function and cognitive ability. Long-term effects of oxidative stress include neurodegenerative disease and cancer. Understanding this condition in military personal will allow for the design of treatment protocols to minimize this aberrant metabolic state and its subsequent short- and long-term health effects.

—University of Nevada, Las Vegas researchers are working to further the number of applications for wireless sensor networks in military surveillance and civilian areas. For DOD, the use of unmanned surveillance and monitoring systems using wireless senor networks is of great practical importance, bringing energy efficiency, scalability, dependability, and security to military efforts. These characteristics obviously also can enhance civilian endeavors as well.

—North Dakota State University is conducting research aimed at lengthening the life of ship structures. This research will lead to significant savings in military spending on marine fuel, maintenance and replacement of ships.

Again, these are only a few of the many DEPSCoR-funded research initiatives that add to our national body of knowledge on varying national security issues.

DEPSCoR awards are provided to mission-oriented individual academic investigators to conduct research that has practical military applications. However, the program as it is currently implemented has not taken into account the significant benefits that can be derived from pooling individual investigators efforts into "centers" of research that meet the ever-increasing challenges and needs of the Department of Defense and the Services.

The DEPSCoR States propose restructuring the program into two components. The first component would retain the current structure whereby the single investigators are invited to compete for research awards in areas identified by the Department and the Services. The second and new component would award funding to mission-oriented "centers." These centers of defense excellence would be interdisciplinary areas and would build defense research capacity.

To achieve important defense research objectives of both the components of the program, the DEPSCoR States suggest that the program be funded at $20 million for fiscal year 2007 with $10 million obligated to the individual investigator awards

and $10 million for the mission-oriented centers initiative. This twin approach to funding will enhance the Department's ability to tap into the best ideas that the DEPSCoR States have to offer in support of the Nation's security needs.

In conclusion, it is important that DOD is able to utilize the resources of all States and regions universities and the science and technology talent that reside in these institutions. DEPSCoR works to enable these resources to be available to advance the DOD mission. DEPSCoR is a wise and worthwhile investment of scarce public resources, and will continue to contribute research that supports national defense needs. Thank you for your consideration of this request.

PREPARED STATEMENT OF FLORIDA STATE UNIVERSITY

Mr. Chairman, I would like to thank you and the Members of the subcommittee for this opportunity to present testimony before this committee. I would like to take a moment to briefly acquaint you with Florida State University.

Located in Tallahassee, Florida's capitol, FSU is a comprehensive Research I university with a rapidly growing research base. The university serves as a center for advanced graduate and professional studies, exemplary research, and top-quality undergraduate programs. Faculty members at FSU maintain a strong commitment to quality in teaching, to performance of research and creative activities, and have a strong commitment to public service. Among the current or former faculty are numerous recipients of national and international honors including Nobel laureates, Pulitzer Prize winners, and several members of the National Academy of Science. Our scientists and engineers do excellent research, have strong interdisciplinary interests, and often work closely with industrial partners in the commercialization of the results of their research. Florida State University had over $182 million this past year in research awards.

Florida State University attracts students from every State in the Nation and more than 100 foreign countries. The university is committed to high admission standards that ensure quality in its student body, which currently includes National Merit and National Achievement Scholars, as well as students with superior creative talent. We consistently rank in the top 25 among U.S. colleges and universities in attracting National Merit Scholars to our campus.

At Florida State University, we are very proud of our successes as well as our emerging reputation as one of the Nation's top public research universities.

Mr. Chairman, let me briefly tell you about the projects we are pursuing this year. The first project is an FSU-led DARPA project that involves several other State universities in Florida. The work will focus on an Integrated Cryo-cooled High Power Density System, particularly as it relates to these systems and their applications in electric power systems. The objective of this multi-university research program is to achieve cryo-cooled high power densities through improved management and integration within the electric power system of heat generation and removal. This systems approach to solving this critical issue begins with identifying the enabling technologies needed, and then pursuing new systems approaches to advance the enabling technologies necessary for solution of these problems. Immediate applications could be with various electric drive systems currently under development by the various services and would include electric-drive ships, land vehicles, and other emerging electric drive power systems.

The research activities supported within this project will be directed in several areas that include development of new materials that could be included in conductors, semi-conductors, and insulation that would become critical components in cryothermal systems and system components. The systems integration approach will be critical to this entire effort at FSU. We are requesting $3,000,000 for this very important new project.

Our next project is entitled Nanotubes Optimized for Lightweight Exceptional Strength (NOLES)/Composite Materials, and is a continuing project with the U.S. Army. The U.S. Army's objective of developing a lighter fleet of fighting and personnel vehicles may be achieved through the diminutive single-walled carbon nanotubes that (1) are the strongest fiber known, (2) have a thermal conductivity two times higher than pure diamond, and (3) have unique electrical conductivity properties as either semi-conducting or metallic based on their structure. Work under previous Army funding has led the development and production of lightweight multifunctional composite structures. These structures are uniquely-created by resins impregnated with carbon nanotubes; these new composite materials hold the promise of creating structures, which, pound for pound, will be the strongest ever known, and hence offer maximum personnel and vehicle protection. Benefits are apparent not only to defense, but also throughout the commercial world.

Partnered with the Army Research Laboratory and a number of defense companies, Florida State University's team of multi-disciplinary faculty and students has developed unique computational, analytical, and experimental capabilities in the field of nano-composite research. This research is leading to vital defense applications. For instance, in a partnership with Lockheed Martin Missiles and Fire Control-Orlando, FSU researchers are developing nanotube/polycarbonate (CNT/PC) composites that are expected to exhibit outstanding properties for an armor program. Initial testing showed that the FSU CNT/PC materials demonstrated favorable properties and deserved further investigation. The FSU researchers recently delivered the second batch of test materials. Additional field tests of the materials have been scheduled. In addition, FSU's nanotube composites are being tested for missile wings, UAVs, thermal management and missile guidance systems by Boeing, Lockheed Martin, Northrop Grumman, and Raytheon.

Three foci are envisioned for fiscal year 2007: (1) to develop nanotubes as a material platform for a new generation of devices and systems, giving special attention to the design and demonstration of defense applications; (2) to use nanotubes and biological polymers in harvesting and conversion of solar and RF energy across the electro-magnetic spectrum; and (3) to develop processing technology for ultra lightweight, exceptionally strong composite materials to improve glass transition temperature, through-thickness strength and fire retardance. We are requesting $3,000,000 for this project in fiscal year 2007.

Our third project involves the U.S. Navy, and it examines experts' ability to maintain superior performance under stress. The project is entitled, Refined Assessment and enhances Acquisition of Skilled Performance in the U.S. Navy. It includes a focus on designing assessment and training procedures to enhance performance. This project will be undertaken by FSU's Learning Systems Institute (LSI), which is used for multidisciplinary research on performance; in addition, the Virtual Human Performance Laboratory (vHPL) at LSI will enable the remote assessment and training of Navy fighter pilots. Researchers will utilize the results of studies of expert performance conducted with ONR together with new data on real-world and simulated performance under stress collected to design assessment and training procedures for skilled performance for these key Navy personnel. This research is designed to support "An Evolving Joint Perspective: U.S. Joint Warfare and Crisis Resolution in the 21st Century," and is being conducted in accordance with current CNO guidance. We are requesting $1,500,000 for this project.

Our final project involves the Integration of Electro-kinetic Weapons into Next-Generation Navy Ships. The U.S. Navy is developing the next generation war ship that will be based on an all-electric platform of propulsion loads and electric power systems with rapid reconfigurable distribution systems for integrated fight-through power (IFTPS). Through the IFTP system, large amounts of energy could be made available to new pulsed power weapon systems and other directed energy weapons. Many challenging technical issues arise before implementing a combat ready system. These include the appropriate topology for the ship electric distribution system for rapid reconfiguration to battle readiness and the energy supply technology for the weapon systems.

The goal of this initiative is to investigate the energy delivery technologies for electro-kinetic weapons systems and investigate the integration and interface issues of these weapons as loads on the ship IFTPS through system simulations and prototype tests, and assess the capability and security of various system topologies and control schemes to operate the weapon systems. The results will provide the Navy and its ship-builders with vital information on design of the ship power system and weapon power supplies.

With significant support from the Office of Naval Research (ONR), FSU has established the Center for Advanced Power Systems (CAPS). CAPS has integrated a real-time digital power system simulation and modeling capability and hardware test-bed, capable of testing IPS power system components at ratings up to 5MW, offering unique hardware-in-the-loop simulation capabilities hitherto unavailable anywhere in the world.

In support of the proposed initiative, the National High Magnetic Field Laboratory (NHMFL) will utilize its world-class research expertise and infrastructure for the proposed development. FSU's partnership with University of Florida and Los Alamos National Laboratory is a key part of the NHMFL. This initiative will be also conducted in cooperation with the University of Texas-Austin and University of Missouri-Columbia. Each institution offers unique capabilities in design and prototyping of the energy storage and pulse forming networks needed. We are requesting $3,000,000 for this project.

Mr. Chairman, we believe the research described above is vitally important to our country and the various military services. We would appreciate your support.

PREPARED STATEMENT OF THE AIR FORCE SERGEANTS ASSOCIATION

Mr. Chairman and distinguished subcommittee Members, on behalf of the 130,000 members of the Air Force Sergeants Association, thank you for this opportunity to offer the views of our members on the fiscal year 2007 funding priorities of the Department of Defense. This hearing will address issues critical to those serving and who have served our Nation. AFSA represents Active Duty, Guard, Reserve, retired, and veteran enlisted Air Force members and their families. Your continuing efforts toward improving the quality of their lives has made a real difference, and our members are grateful. In this statement, I will list several specific goals that we hope this committee will consider funding during fiscal year 2007 on behalf of current and past enlisted members and their families. The content of this statement reflects the views of our members as they have communicated them to us. As always, we are prepared to present more details and to discuss these issues with your staffs.

HEALTH CARE ISSUES

Defense Health Program Funding.—AFSA urges the subcommittee to ensure continued full funding for Defense Health Program needs. AFSA maintains that this Nation can afford to and must be dedicated to funding the weapons systems and the military health care system. We strongly recommend against DOD's desire to establish an annual enrollment fee for TRICARE Standard. We urge the subcommittee to require DOD to pursue greater efforts to improve TRICARE and find more effective and appropriate ways to make TRICARE more cost-efficient without seeking to shift the burden to those who have already paid a great price for their retirement health care benefits. Additionally, the DOD plan is based upon questionable assumptions of prospective changes in human behavior—a dangerous way to steer a fiscal course. Furthermore, if the assumptions upon which the DOD TRICARE plan is based are incorrect, military beneficiaries would likely face an ever-increasing cost for benefits they already paid for by facing unlimited liability for an entire career.

Promoting TRICARE Standard Providers.—One of the great problems with TRICARE itself is that many doctors refuse to participate because it is not worth their while. AFSA urges this subcommittee to designate sufficient funding that will enhance provider participation and thus contribute to denying beneficiaries access to care.

Pharmacy Copayments.—AFSA asks the subcommittee to provide the necessary funding prevent DOD plans to once again change the copayment rates for prescriptions until all medications are available in the mail order program and limiting any future pharmacy copayment increases to the lesser of the percentage increase in basic pay or retired pay, rounded down to the next lower dollar. The coalition recommends eliminating beneficiary copayments in the mail-order pharmacy system for generic and brand name medications to incentivize use of this lowest-cost option and to generate substantial cost savings.

Dental Care Support.—AFSA asks this committee to take a serious look at additional funding for the dental care program for military members and their families. Some members report that the reimbursement rates for providers are not adjusted to the various regions. That being the case, dentists avoid participation in the program. The situation in Alaska, in particular, has been brought to our attention; however, the situation needs to be examined across the board to determine where there are inadequate providers to support the families of military members and the retirees in each region.

Optometry Benefit for Retirees.—The earned career military benefit does not include a funded retiree optometry benefit. This is certainly fundamental to the health and well-being of those who have served, and AFSA requests this subcommittee's consideration toward supporting the implementation of such a benefit.

EDUCATION ISSUES

Increase the value of the MGIB to cover the costs of tuition, books, and fees at an average 4-year college or university. Despite recent increases in the MGIB which brought the value of the MGIB up to $1,034, more needs to be done. If this Nation is going to have a program that sincerely intends to satisfy the purpose of the program, it certainly should mirror civilian industry by providing a comprehensive educational program and not an insufficient one. According to the "College Report," an annual evaluative report published by the education "industry," average monthly educational costs are more than $1,500 at this time. This figure reflects the cost of books, tuition, and fees at the average college or university for a commuter student.

Of course, that average cost will increase in the future due to inflation. Payment for full books, tuition, and fees for a 4-year degree with annual indexing to maintain the value of the benefit, at least, ought to be provided for those who make the military a career. In recent months, several members of Congress have expressed interest in developing a new, improve "Total Force MGIB." AFSA supports such an initiative and encourages this subcommittee to espouse it as well.

An MGIB Enrollment Opportunity for VEAP-Era Military Members.—The education program for military members that preceded the Montgomery G.I. Bill (MGIB) was the Veterans Educational Assistance Program (VEAP). This was a program where you put in up to $2,700 and the government matched the amount you used for education on a 2-for-1 basis. The maximum government contribution was $5,400. Hundreds of thousands of military members declined enrollment in that program due to very poor educational counseling. Many tell us they were advised by education officials not to enroll in the VEAP since a better program was coming along. Unfortunately, when the MGIB came along, those who didn't enroll in the VEAP were not allowed to enroll in the far-more-beneficial MGIB. DOD estimates last year indicated that there are still serving between 50,000 and 70,000 service members who declined enrollment in VEAP. S. 2091, sponsored by Senator Tim Johnson would correct this unfortunate situation. These members served since the mid 1980s, helped preserve peace, and deserve an opportunity to enroll in the MGIB program. AFSA urges the subcommittee to fund that opportunity.

Correct MGIB Enrollment Procedures.—At basic military training or boot camp, new servicemembers must make a decision. If they want to enroll in the MGIB, they must agree to have $100 per month deducted from their pay for each of their first 12 months of military service. This is twice as difficult for noncommissioned members because they make roughly half the pay of a newly commissioned officer. We urge the subcommittee to either eliminate the $1,200 user fee or allow enlisted members to make the payments over a 24-month period.

Allow Transferability of MGIB Benefits to Family Members.—AFSA believes the MGIB benefit is earned, and military members ought to also be able to share the benefit with their family members, if they chose to do so. It would certainly serve to improve the quality of the lives of noncommissioned families. Transferability could be offered as a career incentive. For example, transferability could become an aspect of the program for all enrollees after they complete 12 or 13 years in service.

Full Impact Aid Funding.—Impact Aid is supplemental funding provided to local school districts to compensate for the impact of having military members in that community. Local schools are primarily funded through property taxes. Those military members who reside on base do not pay into the property tax base. Recognizing this, each year Congress has provided supplemental dollars to such school districts. This funding is critical to quality education and the protection of the finances of military families; AFSA urges the subcommittee to continue the great work it has done on this front in recent years.

In-state Tuition Rates for Military Members.—Military members are relocated from one military reservation to another at the pleasure of the government. Of course, servicemembers serve the entire Nation, and every State benefits from their service. Although we believe this issue would not require any additional funding considerations, we urge the subcommittee to do what it can to urge States to provide immediate in-state tuition rates at State colleges and universities as soon as military members and their families are relocated into that State. This should apply to the military members, their spouses, and their children.

COMPENSATION AND PERMANENT-CHANGE-OF-STATION (PCS) ISSUES

Senior NCO Pay Targeting.—AFSA urges the subcommittee to provide the necessary appropriations to allow further pay targeting toward the senior noncommissioned ranks. These members are critical to the success of the military mission, and their roles and responsibilities have increased significantly in recent years. It is no exaggeration to state the many jobs formerly handled by commissioned officers are now handled by senior enlisted members. As such, it is important for the subcommittee to take a critical look at the military pay charts and increase the pay levels of senior noncommissioned officers.

Standard Reenlistment Bonus.—Each time military members reenlist, they commit to subjecting themselves to unlimited liability—putting their lives at risk, if need be, to defend the interests of this Nation. As all men and women, these people are choosing to devote a significant portion of their days on Earth to freedom. The current reenlistment bonus structure is strictly a force manipulation mechanism to adequately man hard-to-fill jobs. AFSA urges the subcommittee to provide the nec-

essary funding which allows a standard reenlistment bonus each time a military member extends their military commitment.

Increased Household Good (HHG) Weight Allowances for Senior NCOs During PCS Moves.—AFSA thanks this subcommittee for role in the modest increase in household goods weight allowances for senior NCOs approved last year. However, we recommend that these allowances be increased even further. Currently, the highest ranking enlisted members (E–9s) who are generally career-committed and have served the Nation for over two decades are afforded approximately the same HHG weight allowances as a commissioned officer who has served only 4 years. An E–7, probably at the average career point of 15 years, is given roughly the same HHG weight allowance as an O–1, just entering military service. HHG weight allowances should have some relation to average time in service, family size, probably accumulation of goods as a family grows, etc. It certainly should not be significantly different for commissioned and enlisted members. We believe the ethical, commonsense, way to provide this allowance would be parallel increases between the commissioned and enlisted rank charts with an E–1 and O–1 receiving the same HHG Weight Allowance, an E–2 receiving the same allowance as an O–2, etc. Such changes would require the support and therefore, funding considerations of this subcommittee.

GUARD AND RESERVE ISSUES

Age 55 Retirement.—What has been true for years has become particularly evident in recent years—that members of the Guard and Reserve are full players in the defense of this Nation. Yet they are the only federal employees that have to wait until age 60 to enjoy their retirement benefits. As it is, their retirement pay is a fraction of that received by retired Active Duty members. Guard and Reserve retirement is based on an accumulation of service points. AFSA believes the right thing to do for the members of the Guard and Reserve is for this subcommittee to designate the necessary appropriations enabling a change to the law and allow these members the receipt of their retirement pay at age 55.

Health Care.—In recent years, Congress has made great strides in addressing the Guard and Reserve health care situation, in part due to the great work of this committee. We urge that you continue along this path and provide a robust plan by expanding the current provisions and decreasing the fees for TRICARE Reserve Select.

RETIREMENT/VETERAN/SURVIVOR ISSUES

Seamless DOD–VA Transition.—AFSA cannot stress enough the importance of properly funding programs that allow common use of medical records between DOD and the Veterans Administration, and to support other aspects of the transition from military service to veteran status. You have made great strides in recent years, and AFSA appreciates them. The issue of a common-sense transition from one status to the other, and the funding of programs to support it, has become even more critical during the time of the global war on terrorism.

Concurrent Retirement and Disability Pay (CRDP) and Combat-Related Special Compensation (CRSC).—Congress has made progress on this matter in each of the last 5 or 6 years, and AFSA urges that it continue. We ask that you support expansion of CRSC for those Chapter 61 retirees (medically retired) who, through no fault of their own, were unable to complete 20 years of service. This would most effectively address those with the most serious disabilities and help to serve those fighting in the current actions in Iraq and Afghanistan.

SBP "Paid Up" Provision.—This subcommittee acted on this several years ago by making this paid up feature effective in 2008. Some of these retirees have now been paying into SBP for many more years than 30. We urge the subcommittee to implement the paid-up provision effective October 1, 2006.

Eliminate the Survivor Benefit Plan (SBP)-Dependency and Indemnity Compensation (DIC) Offset.—Currently, survivors receiving DIC from the VA see a dollar-for-dollar reduction in their SBP payments (provided by DOD). Similar to the CRDP issue, this is a matter that we hope the subcommittee can provide funding for this year.

Allow DIC Survivors to Remarry After Age 55 Without Losing Their DIC Entitlement.—Congress provided some relief to these survivors for setting the remarriage age without losing DIC entitlement at 57. To parallel other federal programs, we urge the subcommittee to change the allowable remarriage age for these survivors at 55.

In conclusion, Mr. Chairman, we thank you for this opportunity to present the views of the Air Force enlisted community. As you work toward your appropriations decisions, the Air Force Sergeants Association and its 130,000 members urge you

to ensure sufficient funding to provide for the integrity of the entire Department of Defense and related programs. Now, more than ever, this funding and this Nation's commitment to our servicemembers must be above reproach. On behalf of all AFSA members, we appreciate your efforts and, as always, are ready to support you in matters of mutual concern.

CONCLUSION OF HEARINGS

Senator INOUYE. I thank you all for your testimony this morning, and the subcommittee will stand in recess.

[Whereupon, at 10:49 a.m., Wednesday, May 24, the hearings were concluded, and the subcommittee was recessed, to reconvene subject to the call of the Chair.]