DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2008

WEDNESDAY, MAY 9, 2007

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

The subcommittee met at 10:34 a.m., in room SH–216, Hart Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Byrd, Leahy, Dorgan, Feinstein, Mikulski, Kohl, Murray, Stevens, Cochran, Specter, Domenici, Shelby, and Gregg.

DEPARTMENT OF DEFENSE

OFFICE OF THE SECRETARY

STATEMENT OF HON. ROBERT M. GATES, SECRETARY OF DEFENSE

ACCOMPANIED BY HON. TINA JONAS, COMPTROLLER

STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. Before we proceed, I must announce that the leadership has scheduled four bills for consideration and the voting will commence at 11:30. So, reluctantly I must insist upon the 5-minute rule. Otherwise some Senators will not be heard.

I would like to welcome you, Mr. Secretary and General Pace. I will abbreviate my statement and put the full statement in the record.

Your budget request of $481 billion is the highest we have ever had, so it would appear logical that the request would be sufficient to meet all needs. However, we have found several serious shortfalls. For example, a critical shortfall in the healthcare system; the Air Force planned termination of the C–17 fails to take into consideration the need for more aircraft due to overuse in Iraq; the National Guard and Reserves have testified that equipment levels are shockingly low; and I think events in Kansas recently demonstrated that.

So we see that funding problems still exist, Mr. Secretary. My colleagues have also raised a question of recent changes to our deployment plans of our National Guard and active duty forces. Healthcare experts are now raising questions about the impact of lengthy tours on the mental health of these men.

So, Mr. Secretary, General Pace, we appreciate your attendance here.

I would like to now recognize the vice chairman of the subcommittee.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUYE

Good morning Mr. Secretary. I want to welcome you and General Pace as the subcommittee continues its Defense Department hearings on the fiscal year 2008 budget request.

During our hearings this year we have received testimony from various components and activities of your Department.

Each of the military departments, the National Guard and Reserves, the Missile Defense Agency, the Surgeons General and representatives from the intelligence community have all provided their input to the committee.

Next week we will conclude our hearings as we receive testimony from members of the general public.

The fiscal year 2008 DOD budget request of $481 billion is at record high levels, so it seemed logical for us to assume that funding levels in the request would be sufficient to meet all the needs of the Department. In fact, that is not the case. We have found a number of areas where surprising shortfalls remain.

In health care, your budget includes savings for assumed legislative changes to increase beneficiary co-payments and forced efficiencies in our military treatment facilities. At the same time, the problems found at Walter Reed demonstrated that there are critical shortfalls in our health care system.

We have learned that the Air Force planned termination of the C–17 fails to take into consideration the need for more aircraft due to its overuse in Iraq, as well as a newly planned increase in Army force structure, and the recommended retirement of the older C–5A airlifter.

The National Guard testified its equipment levels are shockingly low and events in Kansas last weekend confirmed that.

So even in these times of record budgets, not even including wartime supplementals, we see that funding problems still exist.

My colleagues have also raised questions on recent changes to our deployment plans for our National Guard and active duty forces.

This is of some concern to us as we hear that health experts are raising questions about the impact of lengthy tours on mental health.

So Mr. Secretary, General Pace, we appreciate your attendance here today.

We hope we can have in depth discussions on these and many other subjects. Please be advised that your remarks will certainly aid us in the preparation of the fiscal year 2008 defense appropriations bill.

We thank you very much and look forward to your testimony.

Let me begin first by recognizing the vice chairman, Senator Stevens.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you, Mr. Chairman.

In the interest of time, I will put my statement in the record and welcome the Secretary and General Pace and Ms. Jonas. We are pleased to have you here today.

[The statement follows:]

PREPARED STATEMENT OF SENATOR TED STEVENS

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

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

Thank you, Mr. Chairman.

SECRETARY GATES' OPENING STATEMENT

Senator INOUYE. Mr. Secretary.

Secretary GATES. Thank you, Mr. Chairman, members of the subcommittee. Thank you for the opportunity to discuss the fiscal year 2008 defense budget, which includes the base budget request and the fiscal year 2008 global war on terror (GWOT) request. My statement which has been submitted for the record includes additional information and details.

In summary, the budget request submitted by the President will modernize and recapitalize key capabilities in the armed forces, to include funding increases for the next generation of ships, strike aircraft, and ground combat systems, sustain the all-volunteer military by reducing stress on the force and improving the quality of life for our troops and their families, improve readiness through additional training and maintenance and by resetting forces following their overseas deployment, build the capabilities of partner nations to combat extremists within their own borders by using new train and equip authorities, thus reducing the potential demand for U.S. troops in the future, and fund U.S. military operations during fiscal year 2008 in Iraq, Afghanistan, and elsewhere in the ongoing campaign against violent jihadist networks around the globe.

I believe that it is important to consider the request, the budget request submitted to the Congress this year, the base budget, and war-related requests in some historical context, inasmuch as there has been understandably some sticker shock at their combined price tags of more than $700 billion.

But consider that at about 4 percent of America's gross domestic product (GDP), the amount of money the United States is projected to spend on defense this year is actually a smaller percentage of GDP than when I left Government 14 years ago following the end of the cold war and a significantly smaller percentage of GDP than during previous times of war, such as Vietnam and Korea.

Since 1993, with a defense budget that is a smaller relative share of our national wealth, the world has gotten significantly more complicated and arguably more dangerous. In addition to fighting the global war on terror, we face the danger posed by Iran's and North Korea's nuclear ambitions and missile programs and the threat they pose not only to their neighbors, but globally because of their records of proliferation, the uncertain paths of Russia and China, which are both pursuing sophisticated military modernization programs, and a range of other flash points, challenges and threats.

In this strategic environment, the resources we devote to defense at this critical time should be at the level to adequately meet those challenges. The costs of defending our Nation are high. The only thing costly ultimately would be to fail to commit the resources necessary to defend our homeland and our interests around the world and to fail to prepare for inevitable threats in the future.

As Sun Tzu said more than 2,500 years ago, "The art of war teaches us to rely, not on the likelihood of the enemy's not coming, but on our own readiness to receive him, not on the chance of his not attacking, but rather on the fact that we have made our position unassailable."

Another perspective in this regard, closer in time and place to today, is that of George Washington, who said in his first State of

the Union Address: "To be prepared for war is one of the most effectual means of preserving peace."

PREPARED STATEMENT

Thank you, Mr. Chairman, for the support this subcommittee has provided to the men and women of our armed forces over the years, and we look forward to your questions.

Senator INOUYE. Thank you, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF ROBERT M. GATES

Mr. Chairman, members of the Committee: I thank the Committee for all you have done to support our military these many years, and I appreciate the opportunity to provide an overview of the way ahead at the Department of Defense through the President's fiscal year 2008 Defense Budget, which includes the base budget request and the fiscal year 2008 Global War on Terror Request.

I believe that it is important to consider the budget requests submitted to the Congress this year—the base budget and the war-related requests—in some historical context, as there has been, understandably, sticker shock at their combined price tags—more than $700 billion total.

But consider that, at about 4 percent of America's gross domestic product, the amount of money the United States is expected to spend on defense this year is actually a smaller percentage of GDP than when I left government 14 years ago, following the end of the Cold War—and a significantly smaller percentage than during previous times of war, such as Vietnam and Korea.

Since 1993, with a defense budget that is a smaller relative share of our national wealth, the world has gotten more complicated, and arguably more dangerous. In addition to fighting the Global War on Terror, we also face:

—The danger posed by Iran's and North Korea's nuclear ambitions and missile programs, and the threat they pose not only to their neighbors, but globally, because of their records of proliferation;

—The uncertain paths of China and Russia, which are both pursuing sophisticated military modernization programs; and

—A range of other potential flashpoints and challenges.

In this strategic environment, the resources we devote to defense should be at the level to adequately meet those challenges.

Five times over the past 90 years the United States has either slashed defense spending or disarmed outright in the mistaken belief that the nature of man or behavior of nations had somehow changed, or that we would no longer need capable, well funded military forces on hand to confront threats to our nation's interests and security. Each time we have paid a price.

The costs of defending our nation are high. The only thing costlier, ultimately, would be to fail to commit the resources necessary to defend our interests around the world, and to fail to prepare for the inevitable threats of the future.

As Sun Tzu said more than 2,500 years ago, "The art of war teaches us to rely not on the likelihood of the enemy's not coming, but on our own readiness to receive him; not on the chance of his not attacking, but rather on the fact that we have made our position unassailable."

A perspective in this regard—closer in time and place to today—is that of George Washington who said in his first inaugural address, "To be prepared for war is one of the most effectual means of preserving peace."

FISCAL YEAR 2008 BASE BUDGET

The President's fiscal year 2008 base budget request of $481.4 billion is an increase of 11.4 percent over the enacted level of fiscal year 2007, and provides the resources needed to man, organize, train, and equip the Armed Forces of the United States. This budget continues efforts to reform and transform our military establishment to be more agile, adaptive, and expeditionary to deal with a range of both conventional and irregular threats.

Some military leaders have argued that while our forces can support current operations in the War on Terror, these operations are increasing risks associated with being called on to undertake a major conventional conflict elsewhere around the world. This budget provides additional resources to mitigate those risks.

The fiscal year 2008 base budget includes increases of about $16.8 billion over last year for investments in additional training, equipment repair and replacement, and intelligence and support. It provides increases in combat training rotations, sustains air crew training, and increases ship steaming days.

INCREASE GROUND FORCES

Despite significant improvements in the way our military is organized and operated, the ongoing conflicts in Iraq and Afghanistan have put stress on parts of our nation's ground forces.

In January, the President called for an increase in the permanent active end strength of the Army and Marine Corps of some 92,000 troops by fiscal year 2012. The base budget request adds $12.1 billion to increase ground forces in the next fiscal year, which will consist of 7,000 additional Soldiers and 5,000 additional Marines.

Special Operations Forces, who have come to play an essential and unique role in operations against terrorist networks, will also grow by 5,575 troops between fiscal year 2007 and fiscal year 2008.

STRATEGIC INVESTMENTS—MODERNIZATION

The base budget invests $177 billion in procurement and research and development that includes major investments in the next generation of technologies. The major weapons systems include:

—*Future Combat System ($3.7 billion)*.—The first comprehensive modernization program for the Army in a generation.

—*Joint Strike Fighter ($6.1 billion)*.—This next generation strike aircraft has variants for the Air Force, the Navy, and the Marine Corps. Eight international partners are contributing to the JSF's development and production.

—*F–22A ($4.6 billion)*.—Twenty additional aircraft will be procured in fiscal year 2008.

—*Shipbuilding ($14.4 billion)*.—The increase of $3.2 billion over last year is primarily for the next generation aircraft carrier, the CVN–21, and the LPD–17 amphibious transport ship. The long-term goal is a 313-ship Navy by 2020.

MISSILE DEFENSE

I have believed since the Reagan administration that if we can develop a missile defense capability, it would be a mistake for us not to do so. There are many countries that either have or are developing ballistic missiles, and there are at least two or three others—including North Korea—that are already developing longer-range systems. We also have an obligation to our allies, some of whom have signed on as partners in this effort. The department is proceeding with negotiations with Poland and the Czech Republic on establishing a missile defense capability in Europe while we work with our other allies, including the United Kingdom, on upgrading early warning radar systems. We are willing to partner with others in developing this defensive capability, including Russia. The missile defense program funded by this request will continue to test our capability against more complex and realistic scenarios. I urge the committee to approve the full $9.9 billion requested for the missile defense and Patriot missile programs.

SPACE CAPABILITIES

The recent test of an anti-satellite weapon by China underscored the need to continue to develop capabilities in space. The policy of the U.S. Government in this area remains consistent with the longstanding principles that were established during the Eisenhower administration, such as the right of free passage and the use of space for peaceful purposes. Space programs are essential to the U.S. military's communications, surveillance, and reconnaissance capabilities. The base budget requests about $6 billion to continue the development and fielding of systems that will maintain U.S. supremacy while ensuring unfettered, reliable, and secure access to space.

RECAPITALIZATION

A major challenge facing our military is that several key capabilities are aging and long overdue for being replaced. The prime example is the Air Force KC–135 tanker fleet. With planes that average 45 years of age, the fleet is becoming more expensive to maintain and less reliable to operate. The Air Force has resumed a transparent and competitive replacement program to recapitalize this fleet with the KC–X aircraft. The KC–X will be able to carry cargo and passengers and will be

equipped with defensive systems. It is the U.S. Transportation Command's and the Air Force's top acquisition and recapitalization priority.

TRAIN AND EQUIP AUTHORITIES

Recent operations have shown the critical importance of building the capacity and capability of partners and allies to better secure and govern their own countries. In recent years we have struggled to overcome the patchwork of authorities and regulations that were put in place during a very different era—the Cold War—to confront a notably different set of threats and challenges.

The administration has, with congressional support, taken some innovative steps to overcome these impediments. A significant breakthrough was the Section 1206 authority, which fills a critical gap between traditional security assistance and direct U.S. military action. It allows the Defense and State Departments to build partner nations' security capacity in months, rather than years. The program focuses on capacity-building in places where we are not at war, but face emerging threats or opportunities. DOD and State cooperation in executing this program has been excellent and serves as a model for developing other whole-of-government approaches to complex security problems.

Section 1206 projects approved last year are already helping partners reduce threats to global resource flows, narrow terrorists' freedom of action, and increase stability in sensitive regions. The Chairman of the Joint Chiefs and the combatant commanders regard this program as the most important authority the military has to fight the War on Terror beyond Iraq and Afghanistan, because it allows us to help others get ahead of threats, exploit opportunities, and reduce stress on our active duty, reserve and National Guard servicemen and women.

For fiscal year 2007, combatant commanders and country teams have identified nearly $800 million in projects globally. We sought $300 million in the Supplemental and are seeking dedicated funding of $500 million in the fiscal year 2008 base budget to provide the combatant commanders with the resources to implement this authority.

Building the capacity and capability of partners and allies to better secure and govern their own countries is a central task to counter terrorism. Dedicated funding will help us accomplish this task without disrupting other vital DOD programs. It is much more effective for partner countries, rather than U.S. forces, to defeat terrorists operating within their borders. We strongly urge your support for this critical program.

QUALITY OF LIFE—SUSTAINING THE ALL-VOLUNTEER FORCE

Our nation is fortunate that so many talented and patriotic young people have stepped forward to serve, and that so many of them have chosen to continue to serve. So far, all active branches of the U.S. military exceeded their recruiting goals, with particularly strong showings by the Army and Marine Corps. The fiscal year 2008 request includes $4.3 billion for recruiting and retention to ensure that the military continues to attract and retain the people we need to grow the ground forces and defend the interests of the United States.

We will continue to support the all-volunteer force and their families through a variety of programs and initiatives. The budget includes:

—$38.7 billion for health care for both active and retired service members;
—$15 billion for Basic Allowance for Housing to ensure that, on average, troops are not forced to incur out-of-pocket costs to pay for housing;
—$2.9 billion to improve barracks and family housing and privatize an additional 2,870 new family units; and
—$2.1 billion for a 3 percent pay increase for military members.

In addition, recently announced changes in the way the military uses and employs the Reserves and National Guard should allow for a less frequent and more predictable mobilization schedule for our citizen soldiers.

Combined with other initiatives to better organize, manage, and take care of the force, these changes should mean that in the future our troops should be deployed or mobilized less often, for shorter periods of time, and with more predictability and a better quality of life for themselves and their families.

GLOBAL WAR ON TERROR REQUEST

The President's fiscal year 2008 Global War on Terror request for $141.7 billion complies with Congress's direction to include the costs of ongoing operations in Iraq and Afghanistan in the annual Defense Department budget. Given the uncertainty of projecting the cost of operations so far in the future, the funds sought for the fiscal year 2008 GWOT request are generally based on a straight-line projection of cur-

rent costs for Iraq and Afghanistan. This request includes $70.6 billion to provide the incremental pay, supplies, transportation, maintenance and logistical support to conduct military operations.

Reconstitution

The fiscal year 2008 GWOT request includes $37.6 billion to reconstitute our nation's armed forces—in particular, to refit the ground forces, the Army and Marine Corps, who have borne the brunt of combat in both human and material terms. These funds will go to repair or replace equipment that has been destroyed, damaged, or stressed in the current conflict. In many cases, reconstitution funds will provide upgraded and modernized equipment to replace older versions. The $13.6 billion in reset funds in the fiscal year 2008 GWOT request for the U.S. Army will go a long way towards replacing items, one for one, that were worn out or lost during operations to ensure force readiness remains high.

Force Protection

This fiscal year 2008 GWOT request includes $15.2 billion for investments in new technologies to better protect our troops from an agile and adaptive enemy. Programs being funded would include a new generation of body armor, vehicles that can better withstand explosions from Improvised Explosive Devices (IEDs), and electronic devices that interrupt the enemy's ability to attack U.S. forces. Within this force-protection category, the fiscal year 2008 GWOT request includes $4 billion to counter and defeat the threat posed by IEDs.

Afghan/Iraqi Security Forces

The fiscal year 2008 GWOT request includes $4.7 billion to stand up capable military and police forces in Afghanistan and Iraq. The bulk of these funds are going to train and equip Afghan National Security Forces (ANSF) to assume the lead in operations throughout Afghanistan. As of February, over 90,000 have been trained and equipped, an increase of more than 33,000 from the previous year.

In Iraq, approximately 334,000 soldiers and police have been trained and equipped, and are in charge of more than 60 percent of Iraqi territory and more than 65 percent of that country's population. They have assumed full security responsibility for four out of Iraq's 18 provinces and are scheduled to take over more territory over the course of the year. These Iraqi troops, though far from perfect, have shown that they can perform with distinction when properly led and supported.

Non-Military Assistance

Success in the kinds of conflicts our military finds itself in today—in Iraq, or elsewhere—cannot be achieved by military means alone. The President's strategy for Iraq hinges on key programs and additional resources to improve local governance, delivery of public services, and quality of life—to get angry young men off the street and into jobs where they will be less susceptible to the appeals of insurgents or militia groups.

Commanders Emergency Response Program (CERP) funds are a relatively small piece of the war-related budgets—$977 million in the fiscal year 2008 GWOT request. But because they can be dispensed quickly and applied directly to local needs, they have had a tremendous impact—far beyond the dollar value—on the ability of our troops to succeed in Iraq and Afghanistan. By building trust and confidence in Coalition forces, these CERP projects increase the flow of intelligence to commanders in the field and help turn local Iraqis and Afghans against insurgents and terrorists.

CONCLUSION

With the assistance and the counsel of Congress, I believe we have the opportunity to do right by our troops and the sacrifices that they and their families have made these past few years. That means we must make the difficult choices and commit the necessary resources to not only prevail in the current conflicts in which they are engaged, but to be prepared to take on the threats that they, their children, and our nation may face in the future.

Senator INOUYE. General Pace.

STATEMENT OF GENERAL PETER PACE, UNITED STATES MARINE CORPS, CHAIRMAN, JOINT CHIEFS OF STAFF

General PACE. Mr. Chairman, Senator Stevens, members of the subcommittee. Thank you. It is a great honor to sit before you this

morning to represent the 2.4 million men and women in your armed forces who serve this country so nobly. On their behalf, I would like to thank you all for your very strong bipartisan support, not only from the standpoint of funding, but also the visits that you make to the field and the visits you make to the hospitals. The word gets around to the troops that you are out visiting. It makes a difference, and for them and for myself I want to say thank you, sir. I also want to say——

Senator INOUYE. Thank you very much, General Pace.

[The statement follows:]

PREPARED STATEMENT OF GENERAL PETER PACE

Chairman Inouye, Senator Stevens, distinguished members of the Committee, it is my privilege to report to you on the posture of the U.S. Armed Forces. On behalf of 2.4 million Active, Guard, and Reserve Soldiers, Sailors, Airmen, Marines, and our families, thank you for your continued support. Your visits to troops in Iraq, Afghanistan, and beyond; comfort to the wounded; and funding for transformation, recapitalization, pay and benefits are deeply appreciated.

America's military is the world's finest, due in large measure to the patriotic sacrifices of our Nation's Service members. I want to thank them and their families for all they have done, and continue to do, to maintain our freedom. For the first time, America's All Volunteer Force is fighting a long term war with a significant commitment of combat forces. Our troops are serving with extraordinary dedication and distinction. They are an inspiration to us all and I am honored to represent them here today.

Winning the War on Terrorism is and will remain our number one priority. At the same time, we will continue to transform our Armed Forces, strengthen Joint Warfighting capabilities, and improve the Quality of Life of our Service members and their families.

STRATEGIC ENVIRONMENT

My biennial National Military Strategy Risk Assessment was submitted to Congress earlier this year. That classified document and the Secretary of Defense's plan for mitigating risk depict the challenges we face around the globe and discuss how we will overcome them. Sustained deployments, equipment utilization, and operational tempo each impart risk from a military perspective. The current heavy demand for ground, sea, and air capabilities is not likely to dissipate in the immediate future.

As stated in my Assessment, our Armed Forces stand ready to protect the homeland, prevent conflict, and prevail over adversaries. These missions present simultaneous and interrelated challenges of varying intensity, immediacy, and danger.

America's Armed Forces are in our sixth year of sustained combat operations. We are fighting sectarian violence, insurgency, and terrorism in Iraq and Afghanistan. Al Qaeda and its allies threaten the safety of our homeland and our overseas partners—threats made more alarming by the proliferation of Weapons of Mass Destruction. We face other threats and challenges as well:

—Iran sponsors operations in Lebanon and Iraq that are destabilizing those governments. In addition, Iran's drive to enrich uranium highlights its desire to assert greater influence in a region of vital interest to our Nation.

—North Korea's pursuit of nuclear weapons and associated missile technologies poses another strategic challenge. The launch of multiple ballistic missiles on the fourth of July 2006 coupled with the apparent successful detonation of a nuclear device in October 2006 undermines counter-proliferation efforts, threatens many, and could provoke a regional arms race.

—China's military build-up continues unabated, to include offensive strike missiles, expanded sea and air control capabilities, anti-satellite systems, cyber-attack technologies, and an increasingly capable Navy and Air Force.

—Pakistan requires continued international support to maintain stability. Given its possession of nuclear weapons and pivotal location, a stable government in Pakistan is critical to guard against transnational terrorism and ease tensions with neighboring India.

—The Abu Sayaf Group in the southern Philippines and Jemaah Islamiyah in Indonesia remain terrorist threats in the region and continue to exploit security

gaps in the largely maritime tri-border region of southern Philippines, Indonesia, and East Malaysia.

—Narco-terrorists in Latin America destabilize societies, harm nations, and hold American citizens hostage.

—The governments of Venezuela and Cuba are openly anti-United States. Together, they actively seek to create alignments to oppose us throughout the region.

—Succession questions in Cuba may lead to mass migration.

—Political and humanitarian challenges in Africa are myriad, including the specter of growing instability, genocide, civil war, and safe havens for terrorists.

Given the breadth of these challenges, their complexity, and their potential long duration, we must increase our overall capacity in order to reduce strategic risk. The proposed fiscal year 2008 budget, the fiscal year 2007 supplemental, and the fiscal year 2008 Global War on Terrorism request match resources to these tasks. These budget requests represent a significant investment, but that investment is approximately 3.9 percent of our Gross National Product—relatively modest in historic terms.

We also submitted an amendment to the fiscal year 2007 supplemental. The proposal reallocated $3.2 billion within the pending fiscal year 2007 request to fund our new way forward in Iraq and Afghanistan. The revised request better aligned resources to meet our goals without increasing the Supplemental.

WIN THE WAR ON TERRORISM

We must prevail in the Global War on Terrorism. Sustaining operations in Iraq and Afghanistan, while maintaining readiness to respond to new contingencies around the globe, is a heavy burden for our current force structure. Nearly a million American men and women in uniform have deployed to Iraq and Afghanistan, and more than 400,000 have been deployed more than once. Presently, more than 200,000 troops are deployed to the Central Command area of responsibility; another 210,000 are elsewhere overseas. Most of our Army Brigade Combat Teams and their Marine Corps regiment equivalents receive only one year at their home station before deploying again—and that year is spent actively preparing to redeploy overseas to fight. We will have twenty Brigade/Regimental Combat Teams deployed to Iraq, with another three in Afghanistan, one in Korea, and one in Kosovo. This drives our units to operate at about a 1:1 "deployed:at-home" ratio—which is about half the time we believe is necessary to sustain readiness for the long term.

To accomplish our missions in Iraq and Afghanistan and remain prepared for other challenges, the President and Secretary of Defense have announced a number of personnel initiatives. These include the increase of force structure for the Army and Marine Corps, and policy changes to the way we mobilize our Reserve Component. The Army and Marine Corps are both focused on using this added troop strength to grow their operational forces. We are committed to building an active Army of 48 Brigade Combat Teams. That is an increase from a previous goal of 42. For the Marine Corps, we are adding one Regimental Combat Team. The Army is also civilianizing military positions, cutting its non-operational force structure, and reallocating those manpower savings to combat units. The Marine Corps is also implementing policy to ensure all Marines have the opportunity to serve in a combat zone.

Army units are now deployed to the Central Command area of responsibility for fifteen months. They will be at home for not less than twelve months. This initiative reflects both the challenge we face and our commitment to success in Iraq and Afghanistan. This policy is designed to ensure our troops have a year at home before returning to the fight. That year is important. It allows a predictable amount of dwell time for Soldiers to be with their families as well as to train with their units for combat. This decision asks much of our Soldiers and their families. We are deeply grateful for the service and sacrifice of our men and women in uniform and their commitment to accomplishing our mission.

Approximately 38,000 individual augmentees have deployed to headquarters such as Multi-National Force-Iraq, the International Security Assistance Force in Afghanistan, and U.S. Central Command. Nearly 13,000 others have helped train Afghan and Iraqi forces. Most of these positions are filled by mid-grade leaders normally serving in operational units. Increased manning in these mid-grade ranks, to include the Army's request for an additional 2,852 field grade officers, will fill requirements without undermining combat units.

Our weapons, equipment, and supplies have been reduced by combat loss and consumption in Iraq and Afghanistan during the past five and a half years. We have also used significant resources in disaster relief operations responding to the Asian

Tsunami, Hurricane Katrina, and Pakistan's earthquake. The fiscal year 2007 supplemental and fiscal year 2008 Global War on Terrorism request include a total of $51.5 billion to reconstitute our Joint Forces. While it will take some time for newly authorized troops to become available for deployment and for reconstitution of equipment to take effect, our men and women in uniform are grateful for the much needed additional manpower and resources that are on the way.

The challenges we face are not ours alone; they threaten many others. Working with partners improves our ability to defeat terrorist networks and increases regional stability and security. Our regional security cooperation efforts in Latin America, particularly in Colombia where great progress is occurring, help local militaries protect democratic governments and build partnership capacity to counter terrorist, narcotic, and other illicit activity. In the Far East, our support for Southeast Asia maritime security in the Strait of Malacca and the Sulu and Sulawesi Seas helps fight terrorist and criminal activity. Combined Joint Task Force-Horn of Africa and the Trans-Sahara Counter-Terrorism Partnership deter terrorist activity, provide humanitarian assistance, and improve the ability of African countries to foster security within their own borders. And, we are establishing a new unified command for Africa to better integrate U.S. interagency efforts and partner with other nations and international organizations.

Boosting the capability of other countries' forces and providing direct action support to commanders in the field requires that we expand our irregular warfare capabilities. Irregular warfare includes long duration unconventional warfare, counterterrorism, counterinsurgency, clandestine operations, and military support for stabilization and reconstruction. Our Special Operations units perform these missions in Iraq and Afghanistan, and deploy to approximately forty other countries around the world. To answer these demands, we are expanding the size of our Special Operations Forces and we have established the Marine Special Operations Command. We are also moving forward with the Global Special Operations Force Posture plan that will maximize the number of Special Operations Units forward deployed.

In addition to physical battlefields, the Global War on Terrorism has a significant information component. Our enemies use propaganda to deliver their message and justify their actions. We counter the enemy's efforts most effectively when our actions and words reinforce America's strategic goals and national ideals. We deny our foes success in mobilizing sympathizers when local and global audiences understand the enemy's true intent. The Joint Staff, the Combatant Commands, and the Office of the Secretary of Defense are working together to ensure greater consistency and timeliness in our strategic communication efforts.

At its most basic level, winning the War on Terrorism means defending our homeland. To better protect the United States from direct attack, our Armed Forces are working closely with civilian leadership in federal, state, and local governments to provide an effective response in time of crisis. The Navy and Coast Guard are strengthening maritime domain awareness. The Air Force maintains surveillance and interceptor alerts to provide air sovereignty protection. The Army is investing in expanded biological weapons detection equipment and vaccines. And we are continuing to increase the capability of our Chemical Biological Radiological Nuclear and High Yield Explosive Consequence Management Response Forces and seeking more resources to better respond to multiple events in different locations. Contingency plans are continually refined so that the Armed Forces are prepared to assist civil authorities in the event of another terrorist attack. We are creating additional Weapons of Mass Destruction response teams. Moreover, we are working with coalition partners, through intelligence sharing, coordinated planning, and agreements such as the Proliferation Security Initiative to prevent the spread of Weapons of Mass Destruction.

Additionally, your Armed Forces are prepared to assist in responding to natural disasters. In such events, we would provide support in the form of manpower, logistics, transportation, communications, and planning, just as we did following the devastation of Hurricane Katrina. Likewise, military planners are focused on the dangers of a possible global Pandemic Influenza, to ensure our readiness to execute military missions and support civil authorities.

ACCELERATE TRANSFORMATION

The evolving diverse threats to our Nation make it imperative that we adapt and innovate. Transformation is a continual effort to significantly increase our ability to deter and defeat America's foes. It is an ongoing process of rethinking our doctrine and operational concepts; fashioning professional education and training to meet new challenges; restructuring our organizations and business practices to be more agile; improving our personnel policies; adapting our planning systems to be more

responsive; reforming our acquisition and budget processes; and harnessing advanced technology. It is not an end state. It is a mindset and a culture that encourages innovation and fresh thinking.

We need a dramatic leap forward in our relationship with interagency and international partners. Today's many challenges—conventional, insurgency, terrorism, and the proliferation of weapons of mass destruction—require that our Armed Forces work closely with our civilian government counterparts and multinational partners. Much like Goldwater Nichols accomplished for our Armed Forces two decades ago, we should assess what new or revised authorities are needed to enhance interagency coordination, and build a more joint and integrated process. To increase our government's overall effectiveness in the War on Terrorism, we must improve three areas.

First, we must improve our ability to build partnership capacity. Our struggle against violent extremists requires that we fight people who hide in countries with whom we are not at war. The best way to do this is by augmenting the capacity of those countries to defeat terrorism and increase stability—helping them overcome problems within their borders and eliminate terrorist safe havens. Building partnership capacity leverages the local language, knowledge, and culture of indigenous forces, which reduces requirements for our own forces. To this end, I support legislation to extend and expand past enacted 1206 and 1208 authorities for educating, training, and equipping foreign forces for counter-terrorism operations. Such authorities increase our ability to share resources among agencies. Additionally, I support authorization for a National Security Initiative Fund, under Congressional oversight and managed jointly by the Departments of State and Defense. Such a fund enhances our agility in coordinating and harnessing resources to address changed circumstances and policies, and will complement congressionally granted transfer authority and emergency supplemental appropriations.

Second, we need greater expeditionary capabilities in U.S. government civilian agencies for stabilization and reconstruction operations. The Global War on Terrorism requires all instruments of national power—not just the military. U.S. government civilian agencies have a vital role to play in overseas operations. Greater investment in these agencies is required if they are to be more effective. To increase their expeditionary capability, the President has proposed the creation of a Civilian Reserve Corps for the State Department. We strongly support this initiative to boost our Nation's capability to deploy civilian expertise in tandem with our military.

Third, we must enhance interagency effectiveness. Today's many national security challenges cross the boundaries of specific government departments. We need to improve our collective approach and ensure decisions are implemented in a coherent and timely manner across agencies. Just as the Goldwater-Nichols Act established a system of incentives and requirements to foster Jointness among military officers, we need to find ways inside of our government to encourage interagency expertise. Rewarding interagency education, interagency experiences, interagency collaboration, and interagency planning will facilitate better synergy between departments. We can go beyond the education we provide our military and civil servant professionals by integrating our National Defense University within a National Security Education Consortium. We can strengthen and institutionalize mechanisms for interagency coordination by building on the success of interagency centers such as the National Counter Terrorism Center and Combatant Command Joint Interagency Coordination Groups. We can expand our interagency exercises. And, we can increase planning capacity in civilian agencies to improve our execution of operations.

STRENGTHEN JOINT WARFIGHTING

To win the war and continue the process of transformation, we are strengthening our Joint Warfighting capabilities. By employing our Service branches in a joint manner, we leverage their complementary capabilities. We can and should, however, go beyond our current level of jointness by moving from an interoperable force to an interdependent force. We have already had some successes. For instance, naval aviation is now responsible for all airborne electronic warfare. Air Force Unmanned Aircraft Systems provide key intelligence for all Services. Moreover, Navy and Air Force security, communications, and logistics elements fill joint requirements in Iraq and Afghanistan.

Combatant Commanders have identified shortfalls in our persistent Intelligence Surveillance and Reconnaissance capabilities, such as shortages of platforms, sensors, and processing infrastructure. To better support our Intelligence Surveillance and Reconnaissance needs, we are budgeting for more capacity. We are also refining integration between our unmanned assets, human intelligence operations, and our analysis capabilities—improving all.

Warfighter demands for satellite platforms and related terminal programs continue to grow as we field more bandwidth-intensive systems, deploy to austere locations, and connect more tactical users to our Global Information Grid. To meet our requirements for beyond-line-of-sight and reach-back communications, we must maintain military satellite communications launch schedules, leverage commercial capabilities, pursue efficiencies, and continue research and development initiatives.

America and our friends around the globe are increasingly dependent on networked communications systems to store, modify, and exchange data. Interruption of our access to cyberspace could significantly damage national defense and civil society. The Armed Forces' new cyber strategy sets a course that calls for the development of new organizations, intellectual capital, and greater interagency coordination. To ensure unity of effort, U.S. Strategic Command's Joint Task Force—Global Network Operations is working with the Combatant Commands, the Services, and the Interagency to strengthen and integrate defensive and offensive cyber capabilities. We are reviewing the authorities and responsibilities required for dealing with cyberspace threats, particularly as they apply to our relationship with other U.S. government agencies. Changes in authority and policy must ensure that the entire U.S. government is able to meet current and emerging threats.

We must also enhance our capability to engage targets globally and rapidly to strengthen strategic deterrence and response. We are developing conventional long range strike capability, improving missile defense, and modernizing our national command and control. These efforts will ensure our strategic deterrence capabilities remain relevant.

IMPROVE THE QUALITY OF LIFE OF OUR SERVICE MEMBERS AND OUR FAMILIES

Our men and women in uniform are our most precious resource. We must continue to ensure their welfare and that of their families. The most advanced ship, aircraft, or weapon system is useless without motivated and well-trained people. Every day, our Soldiers, Sailors, Airmen, and Marines serve our Nation with distinction. We do well to honor their service by providing for them and their loved ones.

The funding of the fiscal year 2007 Military Construction, Quality of Life, and Veteran's Affairs appropriation by House Joint Resolution caused a $3.1 billion shortfall in the Base Realignment and Closure (BRAC) appropriation. This shortfall jeopardizes our ability to complete BRAC actions within statutory deadlines and creates negative effects on the movement of our troops and their families in support of our global defense posture restructuring. I urge the Congress to correct this shortfall by providing the necessary funds at the earliest opportunity.

Predictability of deployments for all Service members is a key factor to quality of life. Sustainable force rotation policies are needed to spread the burden across the Active and Reserve Components. Greater mobilization predictability for Reserve Component members, and their families and employers is required. To accomplish this, the Secretary of Defense has established a new Total Force Policy. The mobilization of Reserve Component forces will be managed on a unit, instead of an individual, basis—and with a goal of one year maximum mobilization, followed by five years at home. This predictability will improve the quality of life in our Guard and Reserve while fostering greater unit cohesion. Stop Loss for both Active and Reserve forces will be minimized.

To our families, protecting our troops in combat is the most important measure of quality of life. All Defense Department personnel in Iraq and Afghanistan have state of the art body armor. As technology improves we are procuring the next generation of body armor. Likewise, thanks to your continued support, currently all of our tactical vehicles that operate off forward operating bases in Central Command's area of responsibility have armor protection. And we are purchasing vehicles explicitly designed from the wheels up to limit Improvised Explosive Device damage. To further counter Improvised Explosive Devices, we established the Joint Improvised Explosive Device Defeat Organization. Teaming with private industry, we continue to make progress in this vital endeavor.

Providing for our troops and their families also means caring for our wounded. Our military medical system saves lives everyday—and helps them heal here at home. The efforts of our medical professionals and recent advances in medicine, technology, and rehabilitation techniques make a huge difference. Injury survivability rates are at a historic high—nearly 9 in 10 of all wounded troops survive, many of whom would have died in past conflicts. We are also working to address the effects of Post Traumatic Stress Disorder. Many injuries have a profound impact on troops and their families, and our health care system is dedicated to doing everything possible to bring them back to duty, if they wish—or, through our Military

Severely Injured Center and the Services' wounded warrior programs, help our wounded return to society empowered to make a positive difference.

CONCLUSION

I testify before you today with tremendous pride in the performance of your Armed Forces. Some are in combat. Others stand guard. All are at war helping deter attacks on our Nation and allies.

Like World War II did for the Greatest Generation, this war will define this generation, and our troops are doing an extraordinary job. They serve this Nation superbly, willingly, and unflinchingly—volunteers all. The sacrifices they and their families bear for our entire Nation warrant our deepest gratitude. Like so many who have gone before them, their heroism is awe inspiring. It is an honor to serve alongside them.

Thank you for your support.

Senator INOUYE. Senator Stevens.

Senator STEVENS. Thank you very much, Mr. Secretary, General. I know we are on the 2008 bill, but I would like to inquire, what is going on now in the Department because of the delay in getting the supplemental through? Are you actually reprogramming moneys and is there a deadline here of when you are going to run out of money? I want to know, what is the urgency for getting another bill to the President?

Secretary GATES. Senator, the Army already is slowing spending in a number of areas here at home to provide money to fully fund the war. We just, this committee just yesterday, I believe, approved a $1.6 billion reprogramming from the Air Force and the Navy to the Army. We will probably have another reprogramming up here in a few days. That kind of a reprogramming will extend us about a week.

The disruption to the Department and programs here at home in order to fully sustain the troops abroad and particularly in Iraq and Afghanistan has a growing impact here at home in terms of contracts not let, civilians not hired, programs where the spending is slowed or stopped. We were already doing month to month service contracts for services and supplies and things like that on the basis—so the Army is already trying to cope with this.

We will probably—if we pulled out all the stops, used everything possible available to us, we could probably fund the war into July. But I would tell you the impact on the Department of Defense in terms of disruption and cancelled contracts and programs would be huge if we had to do that.

Senator STEVENS. I would like to go some time into the increased cost of delaying it that long, because when you cancel a contract you have termination costs and everything else. It is just going to increase the overall costs.

IRAQI FORCES

General Pace, I know it is early on. General Petraeus told us his estimate and asked for time to have the surge concept work. Can you tell us, are the Iraqi forces coming into place as we thought they would as this surge goes forward?

General PACE. Sir, the Iraqi forces have come in place, but there has been a mixed quality to the troops that have arrived. Prime Minister Maliki promised his three additional brigades in January and February and those three additional brigades did in fact show up in Baghdad. Initially the brigades came in at about 60 percent

strength. Once that was pointed out to the prime minister, he and his leaders got together and the remaining units that showed up arrived beginning around 80 percent and the last two units showed up at over 100 percent. So the leadership has taken action with that regard.

But the Iraqi forces that had been promised have been delivered on the time lines that they were promised they would deliver them.

KEEPING WALTER REED OPERATIONAL

Senator STEVENS. Secretary Gates, and maybe Ms. Jonas might want to get into this, but what steps are being taken to assure that Walter Reed will stay at an operational level and meet all the needs of these people that need special treatment until the new facility at Fort Belvoir is ready?

I get the feeling, and some reports, that to a certain extent the quality of treatment and the ability to maintain that treatment would go downhill as we are moving more and more emphasis to Fort Belvoir. Is there a timing here and are we going to protect the Walter Reed facility until it is totally replaced?

Secretary GATES. The short answer to your question, to your final question, is yes, Senator. I have given direction that Walter Reed will be maintained fully funded and fully staffed until the new facilities at Bethesda and at Fort Belvoir are ready. If that requires for some reason going beyond the time allocated under base realignment and closure (BRAC) and we see that is going to happen, we would come back up here to the Congress and ask for your approval to do that.

But my view is that everybody have the assurance that Walter Reed, particularly once we have made these fixes that are underway right now, will remain at full capability until literally the day the various capabilities can be moved either to Bethesda or Fort Belvoir.

BUDGET SUPPORT FOR END STRENGTH INCREASE

Senator STEVENS. Thank you.

This will have to be my last question. We are told the Army is going to grow by 65,000 soldiers and the Marine Corps by 27,000 marines. Now, is this bill before us now for 2008, is it capable of initiating that growth? Are we going to have the ability to have the facilities for these people, the training capability to handle them, and really all it takes to initiate this expansion?

I support that expansion. I just want to know, do we have to add any money to this bill to carry forward this new announcement?

Secretary GATES. I think that the fiscal year 2008 request, Senator Stevens, takes those needs into account. There is about $12 billion in this budget to fund the first year's increment of 7,000 in the Army and 5,000 in the Marine Corps. We have also asked the services to come to us and make clear where they intend to base the additional troops so that we can ensure that the funds are allocated to make sure the barracks and other facilities are available when those troops come on board.

Senator STEVENS. Do you agree, General Pace?

BUDGET

General PACE. I do, sir. It codifies the 30,000 increase that the Army has already sustained and adds the money for the 7,000 for next year. It codifies the 5,000 that the Marine Corps has already increased and gives them money for 5,000 for next year and allows them to build 7,000 per year for the Army and 5,000 per year for the Marine Corps out until they get the 65,000 and the 27,000.

Senator STEVENS. Thank you. It is nice to have you here.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Leahy.

NATIONAL GUARD SHORTFALL

Senator LEAHY. Thank you, Mr. Chairman.

You turn on the news and you see the makings of a tropical storm over the southeast coast. Hurricane season has not even started. Kansas is depending upon Guard resources in the aftermath of a terrible, deadly disaster. I mention this because the domestic demands of the National Guard go on unabated no matter what is happening overseas. They go on unabated, whether it is fires, hurricanes, earthquakes, and so on.

Now, over the next 5 years the Army and the National Guard agree the Guard faces a $24 billion shortfall in National Guard equipment. I have got the long list that they put out. There are no funds, no funds in here to meet the shortfall. It seems like the kind of a hole that you could drive a Humvee through—well, if they had the Humvees. They are going to be hard-pressed in these basic emergencies without trucks, generators, communications, and so on.

Mr. Chairman, I would ask unanimous consent that the detailed description of the shortfalls be included in the record.

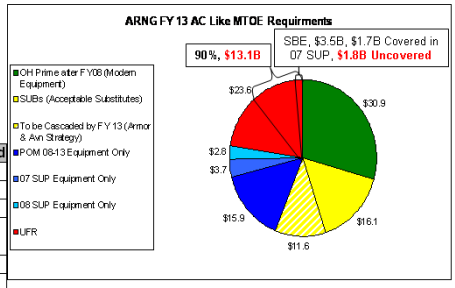
Senator INOUYE. Without objection, so ordered.

[The information follows:]

ARNG Equipping Requirements Overview

ARNG Total Requirement for FY13 AC Like MTOE & TDA: $104.6B

ARNG FY13 AC Like MTOE Rqmnts	$B	% OF Rqd
Total Required $B	$104.6	100%
OH Prime after FY08 (Modern Equipment)	$30.9	30%
SUB (Acceptable Substitues)	$16.1	15%
To be Cascaded from AC by FY 13 (Armor & Avn Strategy)	$11.6	11%
POM 08-13 Equipment Only	$15.9	15%
07 SUP Equipment Only	$3.7	4%
08 SUP Equipment Only	$2.8	3%
Value On Hand + Pgmd + Cascade	$81.0	77%
Total UFR	**$23.6**	**23%**
UFR to Reach 90%	**$13.1**	



FY13 ARNG AC Like MTOE Requirements
The ARNG has a **$23.6 UFR** after FY13
$13.1B against this equips ARNG to 90%

* "Equipment Only" Only includes funds that purchase new equipment.
* On Hand Equipment does not include Unacceptable Substitutes (Example- M35s and 800s)
* Does not Include "Grow the Army" and all costs are based in FY08 dollars

ARNG UFR TO REACH 90 PERCENT: $13.1 BILLION

Equipment Category	Required Quantities (000)	On Hand Quantities (000)	Quantities Delivered Fiscal Year 2007–08 (000)	Shortfall Quantities Before Fiscal Year 2008–13 (000)	Shortfall Before Fiscal Year 2008–13 ($M)	Procurement Program Fiscal Year 2008–13 ($M)	Post Fiscal Year 2008–13 Shortfall ($M)	UFR to S–1 Floor (90 percent) [1]
Armor-Hvy T/W	15.04	8.58	.59	5.87	$1,949.18	$2,312.76	.....	.....
AVN	60.58	29.84	.36	30.38	$12,928.15	$3,596.72	$9,331.43	$5,528.87
C2	189.68	17.02	23.95	148.71	$1,917.63	$2,021.18	.....	.....
Communicate	589.81	336.90	15.52	237.39	$3,009.98	$1,512.38	$1,497.60	$891.07
Engineer	30.97	14.42	.79	15.76	$1,655.52	$851.72	$803.80	$478.26
Force Protection	476.50	356.94	20.29	99.27	$996.37	$122.89	$873.48	$519.72
ISR	5.65	2.22	.93	2.50	$381.96	$787.05	.....	.....
Logistics	588.11	137.45	3.07	447.59	$1,637.92	$648.38	$989.54	$588.78
Maintenance	19.25	3.25	2.29	13.71	$281.19	$36.50	$244.69	$145.59
Medical	25.14	10.24	6.19	8.71	$15.98	$101.67	.....	.....
Precision Strike	27.51	10.49	.91	16.10	$1,975.81	$2,474.67	.....	.....
Security	1,730.86	819.94	135.94	774.97	$3,561.81	$1,543.94	$2,017.87	$1,200.63
Transportation	179.61	51.20	17.61	110.80	$10,163.36	$5,178.90	$4,984.46	$2,965.76
Other	262.05	72.35	.....	189.70	$1,451.32	.....	$1,451.32	$863.54
Totals	4,200.75	1,870.85	228.23	2,101.46	$41,926.18	$21,188.76	$22,194.19	$13,182.22

[1] In addition to the fall current funds programmed through fiscal year 2013, an additional UFR of $13.18 billion is required to get the ARNG to 90 percent EOH (S–1). It will take approximately $24 billion to reach 100 percent. All figures are based on fiscal year 2008 Costs and don't include "Grow the Army" Costs.

FISCAL YEAR 2008 ARNG TOP 25 EQUIPMENT MODERNIZATION SHORTFALL LIST

[Dollars in millions]

	Quantity Required	Quantity Shortage	Shortage	POM 2008–13	APPN	UFR 2008–13
HMMWV	48,715	18,611	$4,039	$1,647.0	OPA	$2,392.0
Family of Medium Tactical Vehicles	37,995	30,140	$7,267	$1,689.9	OPA	$5,577.1
HTV—HEMTT/LHS/PLS	21,180	14,796	$1,652	$1,059.3	OPA	$592.7
M916A3 Light Equipment Transporter	1,591	794	$180	$152.4	OPA	$27.6
Tactical Trailers	5,699	2,984	$177	$10.6	OPA	$166.4
M917A2 Dump Truck	544	334	$67	.....	OPA	$67.0
CH–47F Chinook	159	159	$6,678	$670.6	ACFT	$6,007.4
Comm Systems (JNN, SINCGARS, HF)	143,615	62,613	$3,997	$968.7	OPA	$3,028.3

FISCAL YEAR 2008 ARNG TOP 25 EQUIPMENT MODERNIZATION SHORTFALL LIST—Continued

[Dollars in millions]

	Quantity Required	Quantity Shortage	Shortage	POM 2008–13	APPN	UFR 2008–13
UAV Systems (Shadow, Raven)	586	575	$462	$307.1	OPA	$154.9
Small Arms	209,098	99,129	$360	$240.0	OPA	$120.4
ABCS (Suite of Systems)	1,399	800	$166	$20.7	OPA	$145.3
Digital Enablers (Log Automation)	12,167	7,873	$196		OPA	$196.0
Movement Tracking System	16,711	12,588	$302	$203.4	OPA	$98.6
Night Vision (AN/PAS–13, AN/VAS–5)	41,912	33,170	$640	$241.5	OPA	$398.5
Tactical Water Purification System	131	128	$61	$38.9	OPA	$22.1
Tactical Quiet Generators	19,611	12,748	$324	$118.1	OPA	$205.9
All Terrain Crane (ATEC)	174	29	$7		OPA	$7.0
M9 ACE SLEP	114	90	$80		OPA	$80.0
Route and Area Clearance Systems	138	138	$203	$167.8	OPA	$35.2
Horizontal Construction Systems	587	332	$141	$111.0	OPA	$30.0
Howitzers (M777A1, M1 19A2)	498	342	$4,259	$477.4	WTCV	$3,781.6
Profiler	65	63	$57	$57.2	OPA	
LLDR	1,099	1,034	$362	$187.5	OPA	$174.5
Gun Laying Positioning System	455	208	$20		OPA	$20.0
Chemical (Detectors, Decon & Shelters)	65,719	52,433	$669	$107.5	OPA	$561.5
TOTALS	629,962	352,111	$32,367	$8,476.5		$23,890.1

Quantity Required=Endstate Fiscal Year 2008 ARNG Requirements (MTOE or like AC) to fully modernize the ARNG.
Quantity Shortage=Quantity Required minus On-Hand minus Programmed (2-year Equipment Distribution Plans).
Shortage ($M=Quantity Shortage times Per Unit Cost.
POM 2008–13 ($M)=Total procurement funding stream from FDIIS (dtd 10 JAN 07), by Army Program Element (APE) for respective equipment systems.
APPN=Type of Appropriation (OPA minus Other Procurement Army, ACFT minus Aircraft, WTCV minus Weapons & Tracked Combat Vehicles).
UFR 2008–13 ($M)=Shortage dollar amount minus POM 2008–13 dollar amount.

ESSENTIAL 10 KEY ENABLERS: DSCA PRIORITIZED BUY LIST

Item	Priority 1	Priority 2	Priority 3	Priority 4	Rationale/justification
Joint Force Headquarters: Miscellaneous Equipment	$5,000,066	$5,000,027	$5,000,126	$5,000,111	
Command and Control (C2):					
Joint Network Nodes (JNN)	$33,300,000	$16,650,000	$16,650,000	$16,650,000	Provides the tactical user with an interface to strategic data networks; and interoperability with commercial, joint, combined and coalition communications systems across multiple security levels

Army Battle Command Systems (ABCS)	$7,808,500	$7,233,500	$5,638,100	$6,458,800	Provides enhanced situational awareness via a suite of systems that receive and transmit C4ISR information
Standard Army Management Information System (STAMIS)	$25,727,920	$20,550,610	$21,595,610	$15,953,980	Provides logistics management/automation systems and electronic information exchange capability via both tactical and commercial networks
Unmanned Aerial Vehicle—SHADOW	$15,000,000	$15,000,000	$15,000,000	$15,000,000	Without funding the ARNG will be unable to provide commanders superior situational awareness, information flow, and adequate Force Protection in urban and conventional tactical environments
Communications: HF Radios/Equipment	$16,288,475	$17,445,135	$15,435,815	$18,785,815	Provides secure, long-range voice and data capability
Aviation:					
Helicopters—Hoists/Mounts	$953,016	$1,191,270	$1,191,270	$1,191,270	Required to support HLD/HLS, state, domestic and other contingency operations
Helicopters—NAVSTAR GPS Aviation Sets	$1,235,130	$1,235,130	$1,370,130	$1,370,130	Provides modern equipment and interoperability to ARNG aircraft
Civil Support Teams and Force Protection:					
NBC Shelters	$5,502,000	$6,288,000	$7,860,000	$7,860,000	Provides a contamination free and environmentally controlled work area for medical personnel
NBC—Joint Services Transportable Decontamination System Small Scale (JSTDS–SS).	$990,000	$990,000	$1,155,000	$1,320,000	Without funding the ARNG will be cascaded outdated and no longer in production models of the M17 LDS from the Active Component
NBC Radiation/Chemical Detectors	$682,160	$682,160	$816,990	$910,740	Provides the capability to monitor and record the exposure of individual personnel to gamma and neutron radiation
Engineer:					
Heavy Construction Equipment—Horizontal (Dumps, Graders, Excavators).	$16,151,889	$11,927,933	$12,579,096	$11,957,388	Replaces overaged systems that are in critical need of modernization and incapable of full mission support
Heavy Construction Equipment—Vertical RTCH, ATLAS)	$19,004,075	$16,755,970	$19,505,970	$22,255,970	Primary container/material handling equipment required to support and sustain ARNG units
Logistics:					
Generators—Small/Medium	$5,348,830	$5,839,690	$5,839,690	$5,783,445	Critical requirement during natural disaster or state emergency. Provides electrical power as needed to support mission requirements
Liquid Logistics—Water Purification	$6,451,500	$8,070,000	$8,047,500	$10,707,500	Replaces existing 600 GPH reverse osmosis water purification systems with a 1,500 GPH capability
Liquid Logistics—Tank Water	$4,840,000	$4,840,000	$4,840,000	$5,550,000	Provides a bulk water delivery/distribution/storage systems
Maintenance: STAMIS—Standard Army Maintenance System (SAMS).	$967,458	$942,780	$983,910	$1,557,590	Mission critical system required to support unit-level maintenance support requirements
Medical: HMMWV Ambulance	$13,455,000	$14,490,000	$14,490,000	$13,455,000	Provides patient transport/evacuation capability
Security:					
Small Arms—Shotgun	$264,610	$299,860	$332,525	$377,645	Critical for security operations in urban environments
Night Vision—Driver's Vision Enhancers (DVE)	$4,926,825	$4,926,825	$5,036,310	$5,474,250	Provides a thermal night vision capability to drivers enabling continuous mission operations

ESSENTIAL 10 KEY ENABLERS: DSCA PRIORITIZED BUY LIST—Continued

Item	Priority 1	Priority 2	Priority 3	Priority 4	Rationale/justification
Transportation:					
HMMWV—Un Armored	$101,590,000	$107,800,000	$107,800,000	$106,765,000	Critical enabler for the ARNG to perform all mission and support requirements, domestic or combat
HMMWV—Up Armored	$31,598,000	$38,003,000	$38,003,000	$35,868,000	
FMTV—Trucks	$60,451,326	$61,580,790	$60,966,638	$60,451,326	Replaces obsolete, non-deployable trucks. Critical enabler for the ARNG to perform all mission and support requirements
HTV—HEMTT Tanker/Wrecker/LHS	$42,833,720	$52,628,720	$51,203,720	$50,637,440	Provides line and local haul, resupply, and recovery capability to sustain operations
HTV—PLS Truck/Trailer/Bed/CHU	$56,768,600	$56,768,600	$56,768,600	$56,768,600	Primary component of the maneuver-oriented ammunition distribution system. Also performs local-haul, line-haul, unit re-supply and other transportation missions
MTV—M916A3 Light Equipment Transporter	$11,350,000	$11,350,000	$11,350,000	$11,350,000	Prime mover for pulling the M870 series trailer and heavy engineer equipment
MTV—Tactical Trailers	$11,510,000	$11,510,000	$10,540,000	$10,540,000	Required for transport of heavy engineer equipment, ISO containers, and other cargo
Total	$500,000,000	$500,000,000	$500,000,000	$500,000,000	

Senator LEAHY. We are working hard to include $1 billion to help with the Guard's backlog. That is a $24 billion backlog. We have put $1 billion in the budget that the President has vetoed. Senator Bond and I have worked on that and will continue to.

They seem—these backlogs seem to be unprecedented in the modern era of the National Guard. Would you agree with that?

Secretary GATES. I do not have a lot of historical knowledge on this, Senator Leahy. But my impression is that the percentage of equipment on hand, which is about 56 percent, the norm that is expected for the Guard is about 70 percent equipment on hand. So they—across the country—have that shortfall, and I think that that is the lowest percentage, that 56 percent, is certainly the lowest percent since I think at least 2001.

Senator LEAHY. I think you will find that it is even lower than that in a number of specific areas—communications, heavy equipment, and so on. Should we not be starting now a multiyear process to replace this equipment? We are not going to do it all in 1 year. We all agree on that, especially if the $24 billion is correct. But should we not set a multiyear situation to do it?

Secretary GATES. That is absolutely correct, Senator. In the 2007 and 2008 budgets, altogether there is almost $9 billion for the Guard. Between fiscal year 2008 and fiscal year 2013, we have in this budget or in the budget and plan $21.9 billion just for the Army Guard. And between 2005 and 2013 there will be something on the order of $35 or $36 billion.

Senator LEAHY. But this $24 billion is not budgeted and many will say that the shortfall, that they are actually down to 35 percent, not in the 50 percentile range——

Secretary GATES. Well, it varies from State to State.

Senator LEAHY [continuing]. But in the 35 to 40.

But I wish you would look at that and get back, because right now there is nothing in the budget to do this. There is no plan to resupply them. This is creating a real concern among Governors around the States, certainly among the adjutants general around the States. I mention this knowing that the Guard and Reserve have answered the call and they have been sent abroad. But we also need them to answer the call at home when they are needed.

[The information follows:]

The current Army National Guard (ARNG) equipment posture is 49 percent. This is a national average of total Modified Table of Organization & Equipment (MTOE) available within the Continental United States (CONUS). This percentage increases to 56 percent if equipment currently deployed is added to the calculation. Prior to 9/11, the Army National Guard was at 75 percent equipment on hand for Equipment Readiness Code (ERC) A and P items and 58 percent for total MTOE. Since 9/11, ARNG equipping requirements increased significantly due to modernization of MTOEs. Modernization requirements combined high operational tempo for ARNG units supporting the warfight has further reduced the ARNG on-hand equipment rate.

The Army has programmed nearly $37 billion for ARNG equipment, not including over $11 billion in cascading of equipment from the active component. If executed as programmed, delivery of the equipment by the end of fiscal year 2015 is estimated to take the ARNG to approximately 77 percent equipment on-hand. The current Army plan is to equip the ARNG to 100 percent by fiscal year 2020. In order to resource the ARNG to 100 percent equipment on-hand by 2020, the Army will have to program approximately $5.5 billion per year from fiscal year 2014 through fiscal year 2020. This is in addition to an estimated $1 billion in cascaded equipment per year.

WITHDRAWING TROOPS FROM IRAQ

Senator LEAHY. Now, the President has vetoed what I believe is a solid withdrawal plan. You may well disagree. But there is now talk around here by both Republican leaders and Democratic leaders about benchmarks the Iraqis can use to determine whether they are making the necessary political compromises to save their country. General Petraeus says he is going to take a close look at the strategy in September. The Republican leader in the House has said that is about the time we should be looking at it.

But in the paper today it says that General Odierno, the operational commander in Iraq, seems to indicate is predetermined when he is quoted as saying the troop escalation is going to have to last well into next year. Now, you are the number two commander of the military right behind the President. At what point would you recommend to the President that we need an orderly withdrawal? What are the conditions when you would say, Mr. President, it is finally time to bring our soldiers home?

Secretary GATES. Well, first of all, I think that it is very important to underscore that General Petraeus has said that he and Ambassador Crocker will make their evaluation of the situation and the surge in September, probably earlier rather than later in September. And that is the evaluation that the President and I and the chairman will be looking for, and I think I can just assure you right here that the outcome of that evaluation is not foreordained.

In my view, getting the level of violence in Iraq to a point where the political process can go forward and seeing some progress in reconciliation sets the stage for us to begin withdrawing our units from first of all the surge, but withdrawing our units and allowing those security responsibilities to be assumed by the Iraqis. So I think those are the circumstances on the ground that we will be looking for, and I think we are going to be looking for the direction of events.

We do not have to have it all locked in place and everything already completed. I think if we see some very positive progress and it looks like things are headed in the right direction, then that is the point at which I think we can begin to consider reducing some of these forces.

Senator INOUYE. Senator Specter.

Senator SPECTER. Thank you, Mr. Chairman.

Thank you, Secretary Gates. Thank you, General Pace, and we thank the 2.4 million people in the armed forces of the United States and the 140,000 troops now in Iraq and Afghanistan.

PROSPECTS FOR PROGRESS IN IRAQ

The President's veto has been sustained and we will have another very sharp look in September, as you have already noted, and we will be up for appropriations for the full budget, which now approximates $500 billion. This morning's press does talk about looking by the commanders beyond this year into April 2008. We know from the last election and the public opinion polls and the talk on the street that we are dealing with a very unpopular war now and there is a question as to how long Congress will sustain the President's position.

We have up until now and I have—a question that I have, and I know it is difficult to assess and you are going to make a calculation in September, but what are the prospects for having some light at the end of the tunnel, to see some encouragement which would enable the Congress to have the fortitude to support the President and go beyond September in the full funding of the $500 billion?

Secretary GATES. Well, I think that the honest answer is, Senator, that I do not know. I would tell you this, though. I think I consider it my responsibility and I think General Petraeus and the chairman consider it their responsibility to give the President and the Congress an honest evaluation of whether the strategy is working or not in September. Regardless of the answer to that question, it seems to me that sets the stage then to make decisions about the future.

Senator SPECTER. Well, I can understand the answer you have given, but there is a sense here, certainly by the Democrats and growing among Republicans, that there has to be some progress, significant progress, to sustain it beyond September.

IRAQ WITHDRAWAL EMBOLDENING AL-QAEDA

Let me turn to a related question, Mr. Secretary. That is, our civilization is threatened by al-Qaeda and by radical Islamic fundamentalism, and we frequently hear the argument that if we do not fight them there we are going to be fighting them here. This is an issue which is very hard to evaluate, but to what extent would withdrawal, if we were to take what Congressman Murtha wants to do, a withdrawal date, to what extent in your opinion would that embolden al-Qaeda and embolden radical Islamic fundamentalism, increase the risk of further attacks on our homeland?

Secretary GATES. Senator Specter, I think that in the first instance it depends on the circumstances under which we withdraw. If we withdraw and we leave Iraq in chaos, then I think the consequences are pretty dire. I think we have a thinking enemy in al-Qaeda in Iraq. They change strategies when we change strategies. The way they use these improvised explosive devices (IEDs) is an example that they even are able to change technologically how they deal with this.

If we were to withdraw leaving Iraq in chaos, al-Qaeda almost certainly would use Anbar Province as another base from which to plan operations, not only inside Iraq, but first of all in the neighborhood, and then potentially against the United States. We know that al-Qaeda has reestablished itself in the federally administered territories on the western border of Pakistan, where they are training new recruits. They have established linkages now in North Africa.

So al-Qaeda has actually expanded, I would say, its organization and its capabilities. So I think that if we do not leave Iraq in some sense, with some sense of stability, regardless of ongoing internal difficulties, then I think the problem we face will be significantly worse.

A 2 MONTH $50 BILLION APPROPRIATION

Senator SPECTER. A final question, Secretary Gates. There is talk in the House about $50 billion now. From what I understand, you have to have the full $100 billion now if you are to get the contracts to protect our troops. To what extent would it complicate an orderly progression if you only get $50 billion now and we have to come back for another vote at a later time?

Secretary GATES. Senator, my concerns about the proposal are actually very practical. A 2-month appropriation assumes that the Department of Defense, first of all, has a precise idea in real time of the balances in thousands of accounts that we have to manage. In truth, I essentially have 10,000 faucets all running money and some of them run at one rate, some of them run at another, and they all draw on one big pool of money behind them.

Turning them on and off with precision and on a day-to-day basis or even a month-to-month basis gets very difficult. I think the bill, the proposal, also assumes financial and cash flow controls, a precision in those controls day to day, that would require a degree of agility that is not normally associated with the Department of Defense.

In truth, I think people may also think that they are voting for a soldier, voting money to support a soldier in Iraq, when because of the way this money is pooled they may actually be voting to pay the salary of some guy mowing the lawn at Fort Lewis, because it just is not segregated in the way that perhaps some people think.

A couple of other points. It would have a huge impact on contracting, especially with respect to readiness and reset, in terms of—I mean, it is tough to do a 2-month contract for a mine resistant and ambush protected (MRAP), for some of these new armored vehicles. Also, as I suggested earlier, to do service and supply contracts on a 2-month basis would add significant costs and disruption.

Finally, in terms of the vote, proposed vote in July, we will have forward spent so much money to keep the troops in the field by that time that the truth is if that vote were to be a no I would have to shut down significant elements of the Department of Defense in August and September because I would not have the money to pay salaries. So a no vote in July would have dramatic consequences.

In essence, the bill asks me to run the Department of Defense like a skiff and I am trying to drive the biggest supertanker in the world. We just do not have the agility to be able to manage a 2-month appropriation very well.

Senator SPECTER. Thank you.

Senator INOUYE. Thank you.

I would like to recognize the President pro tempore of the Senate, Senator Byrd.

Senator BYRD. Thank you, Chairman Inouye and Senator Stevens, for conducting this hearing. With the continuing and escalating costs of the military operations in Iraq and Afghanistan and the growing percentage of Department of Defense funding within the domestic discretionary budget, the fiscal year 2008 defense budget merits close scrutiny. It is clear that the conflicts in Iraq

and Afghanistan are straining our military, both in terms of troop fatigue and in terms of equipment wear and replacement.

But the strains go even further, to issues of training and preparedness of those units stationed in the United States, which constitute our first response to any domestic emergency, and to those units stationed overseas to deal with crises there.

Like many observers, I am concerned, General Pace. I am concerned, Secretary Robert Gates. I am concerned that we may be undermining our many years of military superiority and readiness, leaving the United States ill prepared to respond to any new developments at home or abroad. We must, we must carefully consider both our current commitments and the impact that those commitments may be having on our military and our Federal spending in a broader context.

I have a number of questions for Secretary Gates and General Pace along those lines. Secretary Gates, the 2002 authorization to use force in Iraq authorized the President to use force for two purposes. The first was to defend the national security of the United States "against the continuing threat posed by Iraq." Let me read that again now. The first was to defend the national security of the United States, "against the continuing threat posed by Iraq."

The second was to, "enforce all relevant United Nations Security Council resolutions against Iraq."

Since the Government of Iraq that is referred to in the resolution no longer exists, having been replaced by a democratically elected one, do you agree, do you agree, that this authorization no longer applies to the ongoing conflict in Iraq?

Secretary GATES. I think the honest answer, Senator Byrd, is that I do not know the answer to that question.

Senator BYRD. That is being honest. Therefore, if you do not know the answer, how does it apply if you do not know the answer?

Secretary GATES. Well, sir, my impression is that it is the view of the President that it still continues to authorize the actions that we are taking in Iraq.

Senator BYRD. All right.

Secretary Gates, in a recent hearing before the Senate Armed Services Committee Admiral Fallon testified that the United States currently has no plans for contingency, emergency, or phased redeployment in Iraq. First of all, is that true?

Secretary GATES. Let me ask General Pace to answer that question.

Senator INOUYE. General Pace.

FORCES

General PACE. Sir, we have published no orders directing the planning for the overall withdrawal of forces. We do have ongoing replacements of forces and we do change the size of the force over time, so that that system is available to either plus up or draw down. But we have published no orders saying come up with a complete plan for total drawdown.

Senator BYRD. I am advised by my chairman that my time has expired. Thank you, sir.

General PACE. Thank you.

Senator INOUYE. Thank you.

Senator Domenici.

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

Welcome, gentlemen. It is good to be with you.

WAR COSTS HURTING OTHER DEFENSE NEEDS

Mr. Secretary, you know that I support getting our deployed troops all of the funding they need. But I am concerned about reports that I have heard and read that the billions of dollars we are spending in Iraq is negatively impacting our Department's domestic needs. Now let me talk about that a minute and then ask you to chat with me.

Can you talk to us for a minute about how the war is affecting our ability to equip our National Guard, procure new assets which we have planned on for a long time—like the new fighters; just pick one—and meet the other needs of our services? Will you tell us and tell the American people about that?

Secretary GATES. Well, first of all, Senator, the fiscal year 2008 budget proposal before you includes $177 billion for research, development, and procurement. That includes meeting new security challenges that the country will face, including both additional F–22s, funding the Joint Strike Fighter, new Navy ships, and new equipment for the Army.

So I think that the budget, the base budget that you have before you, is intended to address the full range of potential threats and challenges that the United States may face and that base budget is about 11.5 percent above the fiscal year 2007 budget and includes a significant increase in this area.

In terms of the National Guard, as we discussed with Senator Leahy, we do have about $22 billion budgeted for the period fiscal year 2008 to fiscal year 2013 just for the Army Guard, and we have money in the budget for both the Army and Air National Guard in the fiscal year 2008 global war on terror, as well as the fiscal year 2007 supplemental before the Senate.

There is no question that there has been a drawdown of equipment in the National Guard. As I indicated, the overall national average for equipment on hand is about 56 percent. As Senator Leahy pointed out, it varies from State to State. But clearly, we need to follow through with this program to rebuild the stocks of equipment that are available to the National Guard.

Senator DOMENICI. We hear a lot of politics and political talk about this, depending upon who the talk is coming from. I would merely tell you that in my case the State is in the position of having little of its equipment for its Guard. Clearly the New Mexico National Guard is in need; in about 3 weeks it is going back to Iraq. It just does not seem to sit very well when you are down to zero and your people are going off to war.

I know they are different. It is different to have people going to Iraq and having little domestic equipment. You are not taking all of that equipment with you, apparently. But you understand it does not make too much sense to average people as they read it. They wonder what we are doing.

So what you are saying is we are doing the best we can to build up our domestic needs. That is not a good word, but I mean those that are not involved in the war. We are doing our best, and indeed

we are doing it on two fronts. One is research and development to keep us modern. We are spending a lot of money on that front to make sure that happens, correct?

Secretary GATES. Yes, sir.

Senator DOMENICI. And we do not have to bend down and worry that we are going to find somebody that uses this war to get ahead of us on new kinds of strike forces and new research and development (R&D)? That is not going to happen, right?

Secretary GATES. No, sir.

Senator DOMENICI. Is that correct, that is not going to happen?

Secretary GATES. No, sir, it is not going to happen.

Senator DOMENICI. Because we are planning the other way?

Secretary GATES. Yes, sir.

Senator DOMENICI. And with reference to the National Guard, they are not going to be as well equipped, you are saying, as they might have been if this war was not there, but they are going to get a lot of new money——

Secretary GATES. Yes, sir.

Senator DOMENICI [continuing]. To get re-equipped, is that correct?

Secretary GATES. Yes, sir. And their infrastructure will also benefit from the money we will be spending on the regular force, the active component infrastructure here in the country as well.

Senator DOMENICI. I want to just—I know my time—is it over?

Senator INOUYE. Yes.

Senator DOMENICI. The chairman says I do not even have time for this next question. So I will just give you a name: Cannon Air Force Base. Then we can file a question for the record later.

Thank you, Mr. Chairman.

Senator INOUYE. Thank you.

Senator Mikulski.

Senator MIKULSKI. Mr. Chairman, I did not know if we were going in order of arrival. Senator Kohl was here before.

Senator INOUYE. Senator Kohl.

Senator KOHL. Thank you very much. Thank you, Senator Mikulski.

Secretary Gates, I and I think people all across the country are trying to make some common sense conclusions or deductions from the things that we hear here today, the things that we read, the things that we have now been experiencing for nigh how many months. Initially the surge was going to be evaluated in June and now you are saying it will be evaluated in the fall, and yet we read this morning that the troops that are being sent in will be augmented and they will be there well into next year.

That is what so many people are fearful of, that this is in fact an open-ended commitment. You yourself have said this morning that we cannot think about leaving in your opinion until the level of violence has been contained, and no one knows how long that level of violence will go on before it can be contained.

So to many people who are concerned about what is going on, this is an open-ended commitment that has no duration attached to it. The President has said that we will be there as long as we have to be there to achieve what he calls victory. You said this morning we cannot leave until we deal with the level of violence,

and we are also hearing that the commitment that we are now reinforcing will go on into next year. Yet you said that there are no preconditions and we will be looking at this thing in the fall and we do not know what we will be saying then. But at the same time you are saying we cannot leave as long as the level of violence is at its current levels.

So what the American people I think in large numbers would like to hear is something clear about what the administration's goals are and what the level of commitment is and how long it is going to be before we can think about redeploying our troops. General Pace said we have no plans to redeploy troops. So that is, as you know, that is the argument that is going on. That is the dissonance that is going on. It seems too many of us that you all have a responsibility to say as clearly as you can what these contradictions are and when they are going to be responded to in a way that makes sense.

EVALUATING PROGRESS IN IRAQ

Secretary GATES. Well, sir, a couple of observations. First, when I was before this committee, before the Appropriations Committee, the full Appropriations Committee, a couple of months ago, my comment was that I thought we would be able to evaluate whether the Iraqis were keeping their commitments on the security front by early summer and whether we were having much luck in bringing down the level of violence by June.

I think we are in a position to do that and the fact is they have met their commitments and the picture on the level of violence is a mixed one. The announcement, the press story this morning or in the last day or two about the 35,000 troops, really is a reflection of the order that I gave last week moving to a 15-month deployment and 12 months at home guaranteed. One of the purposes of doing that was to give the troops the maximum possible notice that they might have to deploy and if they do that is when they will deploy.

So the 35,000 is simply a replacement force for forces that are already in the country and they may or may not have to deploy depending on the circumstances.

What I was trying to convey to Senator Specter in terms of the September evaluation is that I think we owe the President and the Congress and the American people an honest evaluation of how the surge is working. We are not going to get—in September—the level of violence down to zero. The question is whether the level of violence is such that the political process can go forward in Iraq, and that then sets the stage for us to begin drawing down our troops.

So I think that the evaluation that people—that we are expecting from General Petraeus, and I might add also from Ambassador Crocker, in September is really fundamental, and we owe you an honest answer whether, based on his evaluation, whether the strategy worked and what the path forward is at that point.

Senator KOHL. So is it fair to conclude that, in the absence of any new statements, the old cliche that we broke it and now we own it is true about our situation in Iraq?

Secretary GATES. Well, I would say that it is true to an extent, because you do now have an Iraqi government, an Iraqi govern-

ment increasingly jealous of its sovereignty, an Iraqi government that is now negotiating and dealing with its neighbor states. You have them trying to stand up ministries. So they are sort of on a day-by-day basis assuming greater and greater responsibility. The Iraqi government has now taken over I think full control of four provinces. They now have full control of 9 of their 10 divisions in their Army.

So certainly we have a responsibility, however, you characterize how we got here, to help them make this transition. But I would say that with each passing day they are taking greater ownership of the problem.

Senator INOUYE. Thank you very much.

Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman.

First of all, Mr. Secretary, General Pace, I want to thank you, like everybody, for your service, for your willingness to serve under difficult circumstances.

I want to pick up on what Senator Kohl mentioned a minute ago, like an open-ended commitment. I do not believe any of us have thought of an open-ended commitment to Iraq. But we are, at least a lot of us, are committed to making sure that General Petraeus and our troops have every opportunity to succeed that is to bring stability, with the surge in the next few months.

I believe September, maybe it is October or November, but not much later than that, we are going to know, as we keep talking, is the surge working or is it only marginally so? But a lot of us have patience and we support our troops. I support our troops, period. But we have to I think remember one thing as we debate all this. Our troops have not been defeated on the battlefield, and their morale and their material is very important. You two know this very well and a lot of us do, too.

So the next few months are important months. A lot of us met with General Petraeus, talked with him about this. We talked with him in January. We know that the clock is ticking there. A lot of things are broken in Iraq and we are there, and we can debate all day how we got there and where we should stay, but I do not think we should stay forever, but I think we should try to succeed in what we are doing now, as you do, Mr. Secretary.

UNMANNED AERIAL VEHICLES

Mr. Secretary, I want to digress just a little bit and talk to you about unmanned aerial vehicles, UAVs. As you well know, the Army conducts right now in Iraq about 80 percent, and the marines I am sure has too, of the current UAV operations. Yet it does so with less than 20 percent of the DOD's UAV budget.

There has been movement lately again by the Air Force to try to become the executive agency for medium and high altitude UAVs. This is—I think the Army and perhaps the marines have serious concerns about this. In other words, they deal with the tactical things. They deal with the medium range. I have voiced this with them. A lot of them have talked with me.

You are the Secretary of Defense, you are the Chairman of the Joint Chiefs of Staff. Have you thought about that? Has it bubbled up to your desk yet?

Secretary GATES. The issue has certainly come to my attention. I would say that the issue is bubbling toward my desk, and right now it is on the chairman's desk, so I will invite him to comment.

General PACE. Sir, thank you.

Several levels here. First of all, just from the simple standpoint of air space deconfliction, we have more than 700 unmanned aerial vehicles in Iraq today being flown by marines, Army, and Air Force. So we certainly need a deconfliction mechanism, and the Air Force has been the mechanism that we have used in the past to deconflict air space.

On the other hand, you have the tactical needs of the soldiers and marines on the ground, who want to make sure that they have their vehicle overhead when they need it——

Senator SHELBY. Immediately.

General PACE [continuing]. In the right space, at the right time. And you have spectrum management. UAVs use a lot of bandwidth and when there is *x* hundred of them in the air at any given time you have spectrum management.

Put simply, this is a very complex problem.

Senator SHELBY. It is.

General PACE. Everyone in the Air Force, Army, Navy, and Marine Corps who is working this problem are doing so in good faith. The Joint Requirements Oversight Committee underneath Ed Giambastiani has been tasked by me to get this thing sorted out. It consists of the Vice Chiefs of Staff of each of the services and the Vice Chairman of the Joint Chiefs of Staff. I think they are big enough fellows to be able to figure this thing out and come back in to me so I can get to the Secretary with a recommendation about the best way to align the needs for air space control and tactical use in a way that gives the troop on the ground—at the end of the day it is about does PFC Pace have the support he needs from the aerial vehicle overhead. That is going to be my measure of effectiveness when the recommendation comes to me, sir.

Senator SHELBY. Well, I hope so, and I hope it is the right thing for the fighting man.

Mr. Chairman, thank you.

Senator INOUYE. Thank you very much.

Senator Mikulski.

Senator MIKULSKI. Thank you, Mr. Chairman.

Mr. Secretary, you need to know you really have every day been winning my respect, not only for the institutional role, but I really certainly have appreciated your responsiveness to issues raised by us and your desire it seems to have really candid information on which to guide you as the Secretary of Defense.

Your prompt response to the Walter Reed crisis was really appreciated, the commission that you appointed and now your steadfast follow through I think is an example of what I am talking about. I believe that if we have this candor we can really work together for the good of the Nation.

This takes me to one issue related to the National Guard. I think the fact that almost four Senators have raised this shows what we are hearing in our own States. But know when General Blum was here he told us the state of the National Guard as he saw it. At

that hearing he told me that Maryland was 35 percent ready, and I am going to come to the money issue in a minute.

That put me on the edge of my chair, because Maryland is in the national capital region, we are in a hurricane zone. I went to our National Guard and also to Governor O'Malley and our Lieutenant Governor, who happens to be an Iraq war veteran and a colonel in the Army Reserve. Briefly, the results came back and they were quite alarming. What we were told was that the Maryland National Guard faces serious equipment shortfalls and that in the event of a natural disaster or an attack in the national capital region they did not feel that they would have the operational capability to respond the way they should, that what they give the bosses is the best case scenario.

I could go through this: 14 percent helicopters, 36 percent of what we need for Humvees, only 32 percent of what we need for generators, only 58 percent of what we need for communication equipment. This is quite serious.

Mr. Chairman, I would like the report from Governor O'Malley and General Tuxill entered into the record.

Senator INOUYE. Without objection.

[The information follows:]

STATE OF MARYLAND,
MILITARY DEPARTMENT,
Baltimore, Maryland, May 9, 2007.

The Honorable BARBARA A. MIKULSKI,
509 Hart Senate Office Building, Washington, DC 20510.

DEAR SENATOR MIKULSKI: Thank you for your recent inquiries regarding the inventory of National Guard equipment as it relates to the homeland mission in our great State of Maryland. It is my duty to provide you with an honest and forthright evaluation and you may find such data as attached in Enclosures 1 and 2.

I respectfully stated in a letter to you dated April 16, 2007, that the Maryland National Guard remains ready to answer the call for any mission which we may be called to perform and expressed my support as in years past of the National Guard and Reserve Equipment Account (NGREA) as a source by which to provide our National Guard with funding to address our most critical nationwide equipment needs outlined by the Chief of the National Guard Bureau. Maryland experiences similar needs with equipment such as Humvees, Generators, SINCGARS Radios, updated Army National Guard rotary wing assets, C–130J aircraft, military construction needs and LITENING pods for A–10C aircraft.

As a follow on request, you asked that we show the operational impact of the raw data we provided to you. The most useful way to illustrate this was to measure the equipment remaining in our state after we fully deployed the 1,400 men and women of the Maryland Army National Guard this summer against known metrics of previous state missions we have supported. In a full evaluation of the data in early February of this year we found that the Maryland National Guard could meet its mission if faced with repeat storms of either: the President's Day Snow Storm, Hurricane Isabel or if asked to repeat our contributions to support relief efforts from Hurricanes Katrina/Rita. A second review of this data displayed the same results. However, today's environment does not allow me to plan for a "best case" scenario. It is my responsibility to provide leadership for an "All Hazards" approach to emergency planning. Therefore, I directed my staff to plan for notional Category I and Category II Hurricanes to measure how we would respond. The results are found in Enclosure 1 and highlight the National Guard Bureau's message that our National Guard must now be fully resourced for our homeland mission after many years of chronic under-resourcing with obsolete equipment.

My legislative priorities for this year which were submitted in February and directly affect our collective ability to respond to the needs of our citizens include: rebasing of eight newly procured C–130J aircraft in Maryland, a new fire station at Martin State Airport to provide support of military and civilian flight operations at a base we would utilize as a pre-staging and distribution point of relief supplies, and restoring national funding from $200 million to $375 million for the Emergency Management Performance Grant. We appreciate your steadfast support of these

items and the National Guard Empowerment Bill and look forward to continued efforts until each is fully resolved.

While it is critical that all our deploying troops are fully equipped, the nation can't afford to ignore equipping the Guard for defending the homeland or responding to domestic emergencies. Saving lives and protecting property is what America expect us to do. The American people deserve our attention as do our citizen soldiers whether executing their federal and state mission or training for same. As always, we appreciate your support of the National Guard.

Very respectfully,

BRUCE F. TUXILL,
Major General, MDANG, The Adjutant General.

MARYLAND ARMY NATIONAL GUARD EQUIPMENT

MAY 9, 2007.

SUMMARY

The Maryland National Guard (MDNG) could face potentially critical equipment shortfalls to meet its domestic homeland security mission, including serious potential deficiencies in an array of basic, multi-purpose items whose utility is clear for responding to incidents ranging from hurricanes to acts of terrorism. These gaps will be increased due to the recent mobilization of 1,400 Maryland Guardsmen to support the overseas war fight and could provide a response deficit in the ability to meet demands during a natural or human-induced emergency event. In addition, units in surrounding states face potentially parallel equipment shortfalls. Therefore, due to this shortfall, the State of Maryland may not be able to respond adequately as part of regional response to a Katrina-scale event that could impact the U.S. Mid-Atlantic Region. While resourcing our Active and Reserve component troops for the overseas war fight is critical, the National Guard must be fully prepared for our dual mission to protect the homeland.

The accompanying data identifies specific shortfalls in four areas: ground vehicles (particularly Humvees); power generation equipment, air assets, and communications equipment. The Governor and the Lieutenant Governor, working with the Adjutant General, stand ready to work with the Maryland Congressional Delegation on this matter and will provide regular updates to the Members and staff on its efforts to deal with this challenge.

We are also working with Congress to address critical Air National Guard needs with respect to: re-basing of C–130J aircraft in Maryland, Military Construction requirements for a new Fire Station at Martin State Airport to support operations at a base we would utilize to pre-stage and distribute relief supplies to Marylanders and a full inventory of nine LITENING pods for our A–10C aircraft.

GROUND ASSETS

Humvees and Other Vehicle Shortfalls.—Although the MDNG is authorized to have 781 High Mobility Multi-Purpose Wheeled Vehicles, only 537 are actually assigned to Maryland. Following mobilization, the State will have only 279 vehicles, or about one-third of the State's authorized strength.

Impact on Maryland: The Guard's fleet of vehicles includes ambulances, equipment and personnel movers, and other vehicles that have been used in past MDNG activations to move sick and elderly persons to high ground during flood events, dialysis patients and medical personnel to hospitals during snow events, and first responders to incident scenes when roads are impassable. With the decrease in available vehicles, MDNG's ability to respond to a natural or man made disaster or even a significant snow event would be seriously hampered putting lives at risk.

For example, the MDNG estimates that if Maryland were struck by a Category II hurricane, approximately 335 Humvees would be required to respond adequately to provide essential services in support of State and local first responders. Based on these estimates, the Guard would be short 76 Humvees, due to the recent mobilization, making its response inadequate and putting Maryland citizens' lives in jeopardy.

During the 2003 President's Day Snow Storm, the MDNG utilized 228 Humvees to provide transport to medical care and other vital services to Marylanders and local first responders. Following the Guard's upcoming deployment abroad, it will have only 279 Humvees available in the State, stretching its ability to respond to a similar event.

POWER GENERATION EQUIPMENT

Multi-Purpose Generators Shortfall.—MDNG is authorized to have 396 multi-purpose generators, but in fact only 127 generators, or 32 percent, are actually currently in the Guard's inventory.

Impact on Maryland: The Guard's generators are used to provide emergency backup power to hospitals and medical facilities; to power and recharge critical field equipment including radio communication and medical gear; and to provide light and power to first responders in the field, distribution points for emergency medical and other supplies and 24/7 emergency response centers.

The MDNG estimates that it would require 130 generators to provide services during response and recovery from a Category II hurricane in Maryland. With only 127 generators on hand, the Guard is barely capable to respond to this level of event, and would fall below its equipment needs with any equipment damage or with a larger event.

COMMUNICATIONS

Radio and Communications Equipment Shortfall.—The MDNG currently has only 1,581 of the 2,737 pieces of radio and other communications equipment authorized for Maryland (approximately 57 percent).

Impact on Maryland: Radio and communications equipment are among the most critical items needed by first responders and supporting agencies. The Guard's communications gear provides critical capability to communicate in any environment, the core command and control network for the Guard when called to state service, field capabilities for interoperable communications and to link communications from air assets to ground-level incident commanders, and backup AM radios when FM units and repeaters are damaged. The inability of Guard units to communicate with each other during a disaster event due to an inadequate inventory of communication's gear puts lives at risk.

AIR ASSETS

Air Assets Shortfall.—The Maryland Army National Guard currently maintains a variety of air assets, including a fleet of nineteen Chinook and Blackhawk helicopters. Although the Army Guard is currently close to its authorized total of twenty-two Chinooks and Blackhawks, following mobilization by September 2007 the Guard will have no Chinooks in the state, and only thirteen Blackhawks. Similarly, although the Guard currently has eight C–130J Cargo Aircraft, due to realignment, Maryland will lose all of its C–130J's over the coming years.

Impact on Maryland: The Guard's air assets provide the ability to move personnel and emergency supplies rapidly and into areas which are inaccessible by ground, and serve a variety of missions including search and rescue, patrol and security, damage assessment, and operating as air ambulances. Following mobilization, the Guard will have only thirteen Blackhawks available, to assist in various emergency operations. Again, faced with a significant weather event or man-made disaster, the Guard's ability to respond would be seriously hampered.

For example, the Guard estimates that if Maryland were struck by a Category II hurricane up to 44 Chinooks and Blackhawk helicopters would be required for the Guard to perform its required emergency functions.

PERSONNEL

With the imminent deployment of more than 1,400 Maryland National Guardsmen overseas, the Guard will lose almost a fifth of its most important resource, the men and women of the Guard themselves.

NATIONAL GUARD EQUIPMENT AND READINESS

Senator MIKULSKI. Picking up on the questions of both Senator Leahy and Senator Domenici, we need to talk about money. When you say that there is $22 billion between now and 2013, are you talking about $22 billion a year? Are you talking about $22 billion for 5 years? What are we talking about and what do your people—like Ms. Jonas—say we really do need for combat readiness to answer the call over there, but also homeland security, civil, natural disaster response back here.

Secretary GATES. First of all, the $21.9 billion is a 5-year figure, from fiscal year 2008 through fiscal year 2013. What I am told is that that will take the national average of equipment on hand from about 56 percent today to about 76 percent. The norm historically for States has been about 70 percent.

So we are willing to sit down with you and look at the specifics of this, but the point is that is a substantial figure. That figure is for the Army Guard alone.

Senator SPECTER. And we have to look at the Air Force and then the Guard, the marines.

Secretary GATES. And also the Army Reserve.

Senator MIKULSKI. Yes.

Secretary GATES. So there is additional money in for that. So the total, I do not have the breakdown, but the total——

Senator MIKULSKI. Mr. Secretary, not to interrupt you, but national averages, I mean, if you look at national averages, you put me next to Jay Rockefeller, Senator Rockefeller, the average height of the Senate would be 5 foot 10 and I would be worth several million dollars. And I will not even talk about if you compare Senator Feinstein and myself.

So national averages I do not think cut it, with all due respect to you, because the Guard is essentially a State operation. That is why it has such vitality, why it has such support from not only the men and women who serve, but employers who back them up under this incredible call-up tempo that they have.

So my concern is that this is not an accurate number. This is not finger-pointing here, but I think it is time to pinpoint. I would very strongly recommend two things: number one, an additional $5 billion for this year, and that we consider supplementing that; number two, when you look at allocation, that it be on the basis of risk. Some States have greater homeland security demands, like we in the capital region, Virginia as well as ourselves. As you know, we support the Pentagon in this.

Then the other issue is what I call the culture of yes. I think that our military has and needs to have a culture of yes. They must repeat and report in the chain of command. But when they are asked what they need, what they get from the Guard is, oh, we can do it, sir; we will make it work, sir. And you get the yes and you get the best answers.

I would strongly recommend that you or your designee meet with the National Governors Association and ask these Governors what they see and have their generals talk to you, and do the same type of truth to power that you so wonderfully have then opened up so that we could get to the bottom of military medicine. We need to know what the Guard needs to defend the homeland against hurricanes, wildfires, or whatever. Then we want to work with you because, while they are fighting there, they have other issues that they will be fighting here.

Senator INOUYE. Thank you very much.

Senator Gregg.

Secretary GATES. Mr. Chairman, could I just respond very quickly?

I did meet with the adjutants general of all of the States when they were meeting here in Washington. I have accepted and am

going to promulgate 20 of the 23 recommendations of the national commission on the National Guard, including recommending elevating the head of the Guard Bureau with a fourth star.

LEADERSHIP

Senator MIKULSKI. I think that is terrific.

Secretary GATES. And trying to deal with some of these Guard problems, and we will be more than happy to work with you, with the Governors Association, with the adjutants general, to get at this problem.

Senator MIKULSKI. Thank you very much.

General PACE. If I may, sir, I apologize——

Senator INOUYE. Senator Gregg.

General PACE. Mr. Chairman. May I, Mr. Chairman?

Senator, I agree with every point you said we need to look at. I just want to make sure that you know and that the Nation knows that the National Guard leadership has told us in great detail how they would spend $40 billion over the next 5 years to get up to 100 percent of equipment, and that the decisions have been made collectively to get it up to 76 percent, but that the leadership in the Guard has been very forthcoming with what their deficiencies are. They have laid it out very specifically. Lieutenant General Blum and all of his TAGs (the adjutant general) have been very precise in saying this is what we need.

Senator MIKULSKI. Well, General Pace, I appreciate that. Let us move forward. It is a big difference between $40 billion and $22 billion, Mr. Chairman, and let us see what we need to do.

General PACE. Yes, ma'am.

Thank you, Mr. Chairman.

Senator INOUYE. Senator Gregg.

EVALUATING THE EFFECTIVENESS OF TROOP SURGE

Senator GREGG. Thank you, Mr. Chairman.

I want to return to this issue that was raised I believe by Senator Leahy, because I am not sure I understood the specifics of the answer. In this Post article today, and maybe the quotes are inaccurate, but General Odierno said: "The surge needs to go to the beginning of next year for sure." Then he went on to say: "What I am trying to do is to get until April so we can decide whether to keep it going or not." And since we are in May, I presume he is talking about April of next year.

So I guess that does not really—I do not understand how that meets with the theory that in September we are going to have a review, when you have got the General who is on the ground and in command saying he has got to go through next year for sure and he is trying to get to next April. I guess my question is how do those two positions correlate?

Secretary GATES. I think the candid answer is they do not, that this is—it is General Petraeus who has said, who has told us that he owes us an evaluation of the effectiveness of the surge and how things are going in Iraq in September. The fourth brigade of the surge is now just on the ground in Iraq. The fifth brigade will go in in early June. So that will give them about 3 months with the full size of the surge.

As I suggested in an earlier answer, I think what we are going to be looking at, what General Petraeus is going to be looking at, is not is the job done, but what are the trend lines and what are the implications of the trend lines and the progress or lack thereof in terms of our strategy and how we resource this.

I go back to my comment, though, in response to an earlier question. Regardless of time lines or anything else, the consequences of leaving Iraq in chaos have enormous national security consequences for the United States.

Senator GREGG. But it does seem to be an inconsistency here when the general on the ground who is in command is saying, well, basically we have got to go until next year, and the general who is in charge of the general on the ground is saying we are going to take a look in September and reevaluate. But I appreciate your forthrightness and your answer.

APPROACH FOR COMBATING FUTURE ADVERSARIES

Going on to another issue because our time is obviously limited here, I am presuming and hoping and I think all America is that at some point we are going to withdraw from Iraq fairly significantly in our troops on the ground there, and that we will have a stable Iraq hopefully when we do that, as you have outlined, and it will not be a seeding ground for other people who want to do us harm.

But after we have done that, have you been thinking about the terms of how you fight this war as we go into the future and whether or not it is really a boots on the ground war or an intelligence war and whether or not our resources in this country are being focused correctly—you are asking for $500 billion in the core defense budget—focused correctly relative to the fact that the threat is a disparate and spread threat, that is not a nation state threat; it is a threat that sometimes comes down to individuals, but obviously comes down to functioning small units across the globe, who can only be confronted if we have the intelligence capability to find them to begin with. And to what extent are you thinking in—what is the term of thought as we move forward? Is it still a large military, boots on the ground approach, or is it more of an aggressive intelligence, structured, targeted military approach? I'm addressing Iraq.

Secretary GATES. Senator, I think it is all of the above. I think that one of the reasons why the sum of money is as large as it is, because we need to be in a position to deal with the challenges potentially posed by other large states. We need to be in a position to deal with the threat posed by proliferating medium-sized states like North Korea and Iran. And we need to be prepared to deal with this global war on terror that is going to be with us for a very long time, and that is a war that in some places will involve boots on the ground of regular Army and other places it will require special forces, and in all places it will require an extraordinary level of intelligence to guide that conflict, and it will involve a lot of partnerships with other countries and their military and their intelligence services.

So I would say that one of the reasons you have a $481 billion budget in front of you is because the United States needs to be pre-

pared to deal with this full spectrum of potential challenges to our national security and, I might add, deal with the National Guard and domestic capabilities here as well, homeland security capabilities here as well. But clearly, intelligence has got to play an important role.

Senator GREGG. Thank you.

Senator INOUYE. Thank you very much.

Senator Feinstein.

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

I have two areas and I want to go fast. Welcome, gentlemen.

With respect to everything I have heard so far, correct me if I am wrong in summing it up that September is some kind of point of decision with respect to the effectiveness of the surge, but it is not necessarily dispositive with respect to policy.

END STATE FOR IRAQ

The thing that concerns me, and directly following Senator Gregg's questions, is whether this country is really able to take on a non-state enemy in a way that makes sense in the future and whether we are doing the kind of planning for future non-state major military problems. I think the answer is no, that we are not ready for this, and I also want to ask this question. If, Mr. Secretary, you determine that in September the surge has not been viable in terms of securing Baghdad and reducing terror, what would your recommendation to the President be? And is there any truth to something that appears in David Ignatius's column this morning that says the ferment in the region is driven partly by the perception that United States troops are on the way out no matter what the Bush administration says? To dampen such speculation, Bush is said to have told the Saudis that America will not withdraw from Iraq during his presidency. "This gives us 18 months to plan," said one Saudi source.

Secretary GATES. I think it is our view, Senator, that the end state—and Senator Judd alluded to this a little bit—that the end state for some period of time after we conclude major combat operations in Iraq is that there will be a continuing need for a U.S. presence and a relationship, security relationship, with the Iraqis for some period of time.

What that number of troops involves precisely I have no idea, because it will depend on their needs and the situation. Again, though, let me go back. The goal in September is not whether the violence has been significantly reduced or stability has been brought, it seems to me, but rather whether it has been reduced to a level that the political reconciliation process is moving forward in some meaningful way.

But I think we will have a presence in that area. We certainly will have a naval presence. That was one of the reasons I recommended and sent a second carrier strike group there, was to reassure our friends and allies in the region that the United States is going to have a continuing presence. But my view would be that it is very likely the United States will be required to have some level of troop presence in Iraq for some period of time, but it has to be at a level in my view that can attract bipartisan support.

RELIABLE WARHEAD REPLACEMENT

Senator FEINSTEIN. Thank you. That is very helpful.

Let me move on if I might to a program that has a 370-percent increase in your budget, and that is the Reliable Warhead Replacement Program. The 2007 continuing resolution has $24.8 million and the request is split this year between the National Nuclear Security Administration, $88.8 million, and the Department of Defense, $30 million.

Now, a December 2006 request by the national laboratories found that the plutonium pits have a life span of at least 85 years. And as we know, the warheads are certified as safe virtually every year.

I believe very strongly that in order to move ahead with RRW, Defense must be clear about long-term stockpile needs, including size, weapons characteristics, and diversity. The proposal before us does not do this. Many of us believe that we ought to carry out a comprehensive assessment of United States nuclear weapons policy, and that is Secretary Kissinger, Secretary Schultz, who I think have been, Senator Nunn, have been very definitive, and the impact on national security goals and international nuclear nonproliferation efforts.

Do you agree with this or not?

Secretary GATES. Well, I do not know if a national commission is required or a major study. We certainly owe you answers to the questions that you have posed in terms of stockpile and reliability and so on, and we are certainly willing to have a dialogue with you about the path forward on this. I think there have been a number of diplomatic interactions both with our allies and with the Russians and the Chinese about it, so it is not like we are trying to do something behind the curtain, as it were.

I think the key here is ensuring that we have, in a world where a growing number of nations seem to be interested in having nuclear weapons, that we have a reliable stockpile and that we can count on the reliability and safety without testing and that it can be done through technical means and not actual tests. But we certainly, as a starting point, owe you answers to the questions you ask.

Senator FEINSTEIN. I know my time is up. I think that would be appreciated. I have had the classified briefing on the changes to be made and essentially, in my judgment at least, the changes to be made constitute a new nuclear warhead and I think it is not just safety. I think we have to come to grips with that and what this does to nonproliferation efforts.

So I would certainly welcome that discussion. I do not believe I am the only one here that feels that way.

Thank you very much.

Senator INOUYE. Thank you very much.

Senator Murray.

Senator MURRAY. Thank you, Mr. Chairman.

Secretary Gates, General Pace, I appreciate your honesty with us today in all of your comments so far.

Secretary Gates, I want to ask you about the budget request; it includes $4.7 billion to train and equip security forces in Afghani-

stan and Iraq. Can you tell me how much of that is for Iraqi security forces?

Secretary GATES. $2 billion.

IRAQI SECURITY FORCES

Senator MURRAY. $2 billion. Our troops have been training forces now for more than 4 years in Iraq. In your opinion, where are we in having an Iraqi security force that is able to stand up on its own?

Secretary GATES. I think we have made a good deal of progress. The numbers of troops that have been trained—I am just searching for the information here. We have—the authorization for the Army is 175,000. We have trained and equipped 144,000, so we are at 82 percent, with the completion date scheduled for December.

Senator MURRAY. We have been hearing those numbers for several years. Is this more accurate than it used to be?

Secretary GATES. No, I think these are—I do not know that there is a change in the numbers.

General PACE. If I may help, sir.

Secretary GATES. Yes.

General PACE. Senator, if I might help, we originally had a plan to have 325,000 total Iraqi armed forces, both police and military, trained by December 2006. That goal was reached. In the process of getting to that goal, Mr. Maliki's government wanted to increase the size of its armed forces by another 40,000, partially to build 2 more divisions, go to 12 divisions instead of 10, and partially to man his current units at 110 percent so that he can have an effective force in the field.

Senator MURRAY. But what is the date that you expect this to be completed? When will we reach this goal?

General PACE. We will reach the completion of the current proposed size of the Iraqi army by the end of this year, ma'am.

Senator MURRAY. By the end of this year.

General PACE. And for the first time this year—correction. This is the second year in a row now where the Iraqi government has put more money into building their army than we have.

PROGRESS ON POLITICAL BENCHMARKS

Senator MURRAY. Secretary Gates, I agreed with your comments that you made during your trip to Baghdad last month where you said that the U.S. military commitment in Iraq is not open-ended and the clock is ticking. I wanted to ask you if you have seen any progress on the political benchmarks that have been set for the Iraqi government, the oil revenue sharing, national reconciliation, new elections? Have you seen any progress at all?

Secretary GATES. There has been some movement on some of the legislation. It clearly has not moved as far or as fast as we would like. I think that there are some things that are happening in the political arena that do not go directly to legislation, but that are encouraging. There was a report in a Baghdad newspaper just a couple of days ago that Prime Minister Maliki is going to begin consulting with the Presidential council. He has clearly taken it aboard on a regular basis, including Vice President Hashemi, a

Sunni, where there has not been as much dialogue there as we would like.

Clearly, we have, a variety of us, have made clear to the Iraqis that it would be a very bad idea for the council of representatives to take a recess in July and August. I will be blunt. I told some of the Iraqis with whom I met that we are buying them time for political reconciliation and that every day we buy them, we buy it with American blood, and that for this group to go out for 2 months, it would in my opinion be unacceptable.

TROOP MENTAL HEALTH

Senator MURRAY. Well, September is not very far away to see improvements from here. So I think we are all looking very carefully at that, and I appreciate your honesty on that.

I also wanted to just bring up an issue quickly. According to the Defense Department's Task Force on Mental Health, more than one-third of our troops and veterans suffer from TBI and post-traumatic stress disorder (PTSD). Last Friday the task force reported that the system of care for psychological healthcare that has evolved in recent decades is not sufficient to meet the needs of today's forces and their beneficiaries and will not be sufficient to meet the needs in the future.

I have been out to our military hospitals and, Secretary Gates, I have been very concerned because I have been hearing directly from soldiers that they feel that the effects of PTSD are being dismissed by military care providers as being all in their head. I heard that over and over again. I want your assurance today that we would make sure that that was not being told—it is stigma enough and it is difficult enough for these soldiers. We want them to get the care they need, and I hope that you can put some focus on that throughout the system.

Secretary GATES. Senator, I can assure you that the senior leadership of, and particularly the medical leadership, of the Army has taken this aboard, is very serious about it. One of the suggestions that I have had—I am worried that when they do these surveys with soldiers that come off of a deployment they are so eager to get home they are going to check all the right boxes so that they can get home. One of the things that I have suggested is that they give each returning soldier just a piece of paper that lists all of the symptoms, that basically says: This is a common problem and it is not a sign of weakness; a lot of your buddies have this problem; here are the symptoms and here is who to call if you have these symptoms, in addition to whatever review there is at 3 months and 6 months and before redeployment and so on.

One of the recommendations of the internal review group that just reported to me last week was the creation of a center of excellence for both TBI and for post-traumatic stress. That is something I take very seriously. I just was at the center for the Intrepid last week and I think it is a great model for what we might be able to do here in terms of both patient care and combining private and public research and treatment.

So I think that this is taken very seriously by the leadership of the Department and by the military leadership. It is not a sign of

weakness. It is not all in their heads. It is real and we need to get them the treatment they deserve.

Senator MURRAY. Well, I really appreciate that answer and would hope that I can talk to you later, because I am concerned that we do have some people in the military closer to the ground level who have a macho attitude that it is all in your head. I think that is very dangerous. So I do appreciate your comments.

Thank you very much.

Senator INOUYE. Thank you very much.

The vote has started. Senator Dorgan

APPREHENDING AL-QAEDA LEADERSHIP

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

Mr. Secretary, let me ask a question I have asked previously, on the issue of the threat to our country. The Director of Intelligence recently said, and I think I am quoting him accurately: "The greatest terrorist threat to our country is the threat from the al-Qaeda leadership and its network around the world."

As you know, the al-Qaeda leadership boasted about carrying out the attacks on our country and they still exist apparently somewhere in northern Pakistan or somewhere near some border area. Some years ago I was in Afghanistan. I know that there was an interdisciplinary military unit interested in apprehending the al-Qaeda leadership. Are there military missions prosecuting that action as well at this point?

Secretary GATES. Yes, sir. We are still going after al-Qaeda leadership. It is in a difficult area both in terms of terrain and in terms of the politics, in terms of our ability to range freely in that area. Most of it is in, as I indicated earlier, in the western part of Pakistan in the federally administered territories. But we do have military operations that are planned both in Iraq and elsewhere in the region, not just in North Waziristan and Iraq, but in other places as well, to go after al-Qaeda leadership.

Senator DORGAN. And that remains a priority?

Secretary GATES. Yes, sir.

Senator DORGAN. Let me ask a question that my colleague from Alabama had asked about. Some years ago when I came to the Congress I joined something called a defense reform caucus because I was interested and dismayed in some respects at seeing the intramural politics in the Department of Defense, with every branch of the service wanting to do everything. For example, every branch wants to fly, every branch wants to do this and that.

UNMANNED AERIAL VEHICLE OVERSIGHT

With respect to UAVs, it occurred to me that it is quite clear that the Army would want to have low-level UAVs over a battlefield that they can control from a tactical standpoint. It is not clear at all why the Army has been spending money designing a Warrior to fly at 20,000 feet that looks exactly like and I think will perform exactly like the Predator, which is the Air Force mission.

So it appears—and I asked General Schoomaker about this and he sent me what I would expect to be a typical response: This is something the Army wants to do. But it appears to me that we have duplicated the investment in research and development of two

UAVs that the Air Force has on the Predator and the Army wants of its own with the Warrior. It makes no sense to me. Would you look into that? Or maybe one of you can tell me why we are duplicating these efforts.

Secretary GATES. Sir, a fair point, and we are looking into this. That is exactly what I have tasked the Joint Requirements Oversight Committee to get back to me on, because you are right, we have had over time more than 100 different variants of unarmed aerial vehicles. The two you are talking about are made by the same company, and we need to get it right with regard to how many different variants we need and how we control the air space and how we deliver product to the soldier and marine on the battlefield, sir. And you are right to be concerned about duplication.

Senator DORGAN. UAVs are very important. I think they are going to play a significant role. I just do not want the services duplicating research and development. The taxpayer ends up paying for that.

B–52S

A quick question. B–52s. The U.S. House last year in its deliberations said that you shall not reduce the number of B–52s below 76. The Senate agreed with that and yet the budget reduces them to 56. As you know, the earliest possible date we might have a new bomber would be 2018. I do not think that will happen, but it might be the earliest possible date. We used over 80 B–52s in the most recent Iraq war, 140 in the gulf war before that.

I do not understand the recommendation here and I think the Congress likely will keep 76 B–52s so that we do not put 20 in the bone yard and then hear there is a bomber gap very quickly. If that is the case, how do we pay for that?

General PACE. Senator, I need to get back to you, sir. I do not have that in my head. I do know the recommendation was made. I do know it was based on projections of *x* amount of ordnance being delivered over *y* amount of time. But I do not have a precise answer for you yet, sir.

[The information follows:]

It is particularly challenging to manage an aging bomber fleet while simultaneously transforming to face emerging threats. We are pursuing a balanced approach that focuses on transformation and recapitalization while managing operational risk.

An important component of our Nation's security is the operational ability to project combat power over long distances and long durations with adequate payloads. To meet this requirement, the Air Force's three-phase strategy for long-range strike modernizes current bombers, develops a complementary capability fielding in 2018 and continues technology development for a transformational capability in 2035. Integral to the three-phase long-range strike strategy is divestiture of 20 B–52s as reflected in the fiscal year 2008 President's budget. The 56 B–52s funded in the program of record are capable of meeting any single combatant commander requirement, but provide an estimated $1.44 billion cost avoidance across the Future Years Defense Plan.

Senator DORGAN. Well, let me thank both of you. These are difficult times and all of us want the same for our country. We want our country to succeed. We have got people strapping on body armor this morning, going out and facing live ammunition. This Congress is going to provide the funding that is necessary and some more for MRAPs and some more for medical, hospitalization,

and so on. We have an obligation to do that and from my standpoint we will do that.

Secretary GATES. Thank you, Senator.

Senator INOUYE. Thank you very much.

Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you.

Thank you very much, Mr. Secretary, for being here, and General Pace, and discussing your budget request for the next year.

There was some disturbing news this morning that I heard about alleged or suspected terrorists in the United States getting armaments and weapons to attack military forces here in the United States. It reminded me that we have a new Department of Homeland Security, still relatively new. Is there a degree of cooperation between our military forces, the Department of Defense, and the Department of Homeland Security to successfully discover things like this and then deter an attack.

FORT DIX

Secretary GATES. Let me give a quick answer and then ask General Pace to follow up. The answer to your question is yes. I think that this operation relating to Fort Dix was an extraordinary piece of law enforcement work by the Federal Bureau of Investigation (FBI). We work closely, particularly in the National Counter-Terrorism Center, with the Bureau, with Homeland Security, with the Central Intelligence Agency (CIA), and the other parts of the intelligence community. So I think some of the changes that have been made in the restructuring and the creation of that group by the Congress has contributed to that kind of sharing of information and working together.

General, do you want to add anything?

General PACE. Sir, there has been good progress there, a very good relationship between the Department of Defense, Department of Homeland Security, exceptional relationship with Northern Command underneath Admiral Renuart now. Example is exactly what you pointed out, Fort Dix, and when that information was put into the system not only did it result in the actions taken at Fort Dix, but also nationally with regard to all of our military bases being alerted and taking a look and scrubbing their current procedures.

One additional factor is that Secretary Chertoff right now has a team that he has put together to see for the kinds of things that the Department of Homeland Security would need to do internal to the United States, what kinds of capacities do we need that agency to have, and of those what do they not have, and of those which should the Department of Defense be looked to provide. So we are working very carefully with them to make sure that our Guard and Reserve forces have the capacity needed to be able to respond in support of a civilian lead inside the United States.

RECRUITING AND RETENTION

Senator COCHRAN. I realize that during a time of war it might be natural to resist a call to serve in the military forces. But it reminds me that we do not have a draft in place. We do not have conscription. We are operating, with your leadership, on an all-volunteer force. I know in the budget request you have money that

you request in order to carry out recruiting and retention efforts. What is the status of that? Is there enough money requested in your budget to address this and to assure that we are going to have the troops that we need in the future to not only wage war on terror internationally, but to protect our security interests across the board?

Secretary GATES. Yes, sir. There is about I think $4.3 billion or $4.4 billion in the budget for recruitment and retention. I am happy to report to you that the active component, that all the active components of the military, met their recruiting targets in April. The Army National Guard is at about 94 percent for April, but they are over 100 percent year to date. The Army Reserve is struggling a little bit, but I think in part it is because they are competing with the Army National Guard and the Active Army in recruiting from the same pool of young men and women.

The Marine Corps has exceeded their recruitment objectives. The first—in terms of retention, the first reenlistment, we are over 100 percent of the goals. We are about 94 percent of the goal for the second reenlistment.

So I would say—and these are people who are enlisting knowing exactly what they are getting into and knowing exactly where they are going to end up having to fight. So these are young people who are signing up knowing the challenges that they are going to face, and it is an extraordinary tribute to the quality of these young people in America today that are willing to do this.

MISSILE DEFENSE

Senator COCHRAN. We appreciate your leadership and management of the Department of Defense and the responsibilities that go with that. I notice in your budget request you also have a substantial request for additional funds for a missile defense program continued to develop and deploy those resources. Connected with that, I saw the Patriot missile system mentioned, and also was reminded of the fact that when we had the service chiefs before our subcommittee the other day they talked about the success of the program to develop a capability to defend troops against missile attack and our national interests against the emerging threats.

Are you concerned that we have enough of a robust missile defense initiative included in this budget to meet our goals and to further strengthen our ability to protect ourselves in these situations?

Secretary GATES. Yes, sir, I think that the program is quite adequately funded. It is about $8.9 billion for missile defense and about another billion for the Patriots. I think the general feeling in the Department is that that is an appropriate level.

Senator COCHRAN. Thank you.

Thank you, Mr. Chairman.

Senator STEVENS [presiding]. The Senator from New Mexico, do you wish to be recognized?

Senator DOMENICI. Yes. Thank you very much. I did not think I was going to get back in time, and I know time is short.

RELIABLE REPLACEMENT WARHEAD

Mr. Secretary, I understand you answered a question from Senator Feinstein regarding our reliable replacement warhead (RRW). I have another question on the same subject that I will submit and ask that you answer it.

Secretary GATES. Yes, sir.

Senator DOMENICI. Second, I submitted on April 17 a letter to you about the position, your position on the RRW, the new potential warhead. I would greatly appreciate it if you would give us some idea of when that might be answered. We need to know whether the people in the administration and in the Department of Defense support this. It has been presented by less than a hierarchy for us to review in committees, and we need to know if you and the various secretaries support it.

Secretary GATES. Senator, we clearly somehow have a failure to communicate. I think I signed that letter out to you last week, and we will follow up with your staff and find out where it is.

CANNON AIR FORCE BASE

Senator DOMENICI. Very good.

My last question has to do with the city of Clovis and the base there, Cannon Air Force Base in Clovis, New Mexico. It is now waiting to be equipped so that it can become a new kind of base. As you know, it was put in kind of a wait and see position. When they finished all of the work on determining the closures, they decided it should not be closed, but it should be used for a new kind of Air Force special operations base, with all kinds of equipment.

I need to know whether you are going to support that, because we need to get the money to do the things that will make it a fully operational base, and that is terribly important for the future of Cannon. If you would look into that, I submit a question to you on that subject.

Secretary GATES. Yes, sir.

Senator DOMENICI. Thank you. And I am sorry I am so mumbo-jumbo, but we are out of time. Thank you.

Senator FEINSTEIN. Mr. Secretary, General Pace, we appreciate your testimony today as we begin to formulate our recommendations for the fiscal year 2008 defense appropriations bill. We hope we can call upon you for additional advice.

ADDITIONAL COMMITTEE QUESTIONS

The chairman has questions he will submit for the record, and maybe other members also.

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

QUESTIONS SUBMITTED TO HON. ROBERT M. GATES

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

EXECUTIVE AGENCY FOR UAVS

Question. Secretary Gates, the Air Force has developed a proposal to be designated the Executive Agent for all medium- and high-altitude unmanned aerial ve-

hicles. Some believe that an Executive Agent for UAVs would increase efficiency, but others are concerned about an impact on specialized roles and missions for UAVs in other services. What is your view?

Answer. The subject of an executive agent for all medium- and high-altitude UAVs is currently under review, but has not yet been completely evaluated. This impartial review will determine whether the designation of a single military department as executive agent for UAVs for the Department of Defense would serve as the best means of eliminating unnecessary duplication of effort and increase efficiencies.

ARMY GUARD AND RESERVE MOBILIZATION POLICY

Question. Secretary Gates, in January you announced that the Army Guard and Reserve will transition from 18 to 12 month mobilization periods. The Guard and Reserve plan to perform a significant portion of the pre-deployment training at home station or at nearby facilities so that reservists will be able to be deployed in theater for 10 months out of their 12 month mobilization period. What steps are being taken to provide the Guard and Reserve with the equipment, personnel, and facilities needed to train their soldiers prior to mobilization?

Answer. With respect to equipment: In preparing the Guard and Reserve components for deployment, the Army has an equipping strategy that utilizes the Army Force Generation model in determining readiness requirements as well as the Army Resource Priority Listing process in determining equipment priorities within the Army. All units will have the necessary equipment for training prior to "Boots on the Ground." With the four transitional Brigade Combat Teams (BCT) currently identified for deployment in 2008 (39th Infantry BCT—AR, 45th Infantry BCT—OK, 76th Infantry BCT—IN, 37th Armored BCT—OH), a hybrid solution is required. The equipment will be provided at each of their annual training site, pre-mob training site, and post-mobilization training site.

With respect to facilities: In order to shorten the training time at the mobilization sites, it is imperative to have facilities that support that effort. The highest priority for the Reserve components is where they work and train. Although BRAC 2005 attempts to consolidate the Reserve Centers, this effort will not be completed until 2011. Nevertheless, we are focusing construction dollars remaining, after BRAC, for pre-mobilization training requirements. Facilities are being designed that incorporate training spaces, classrooms, and electronic infrastructure, to include modern computer and video capabilities. These facilities, when completed will be a mobilization enabler for the Reserve components.

Question. Mr. Secretary, the new mobilization policy was put into effect immediately following your announcement, even though there were still a large number of details to resolve. Are you concerned that implementing this policy before a system has been put in place could compromise the readiness of deploying guardsmen and reservists?

Answer. The Army strives to ensure every deploying unit and each guardsmen and reservists that deploys is certified to be combat ready. The new mobilization policy allows the Reserve component service member the predictability to know that he/she will be away from work, school and family for no more than 12 months and does not sacrifice the deployment standards for any unit.

STRATEGIC LIFT

Question. Secretary Gates, the Department may be at a crossroads in its strategic lift plans. Costs for the C–5 reliability and re-engining program have grown significantly and, while the C–5 situation is unclear, the C–17 Globemaster production line will start shutting down in fiscal year 2008. At the same time, Army and Marine Corps increases in force structure could increase the demand for lift. What actions are you taking to refine your strategic lift strategy—and will we be updated prior to July 2007?

Answer. Our next planned update to the Mobility Capabilities Study will commence in 2008. Any changes to the Defense Strategy that may affect strategic airlift will be assessed at that time. The current Department assessment is that the demand on strategic airlift resources is not affected by the growth in land forces for rotational employment, but is rather driven by the Defense Strategy. Therefore, current and programmed C–17 buys and C–5 upgrades continue to provide the Department with sufficient assets to carry out today's Defense Strategy with acceptable risk.

Question. Secretary Gates, the Air Force has briefed staff on a "30/30" plan to retire 30 C–5As and buy 30 C–17s. What are your views on this plan?

Answer. The Air Force has not presented its "30/30" plan to my staff for review. While there may be advantages associated with this concept, the Department needs to evaluate it, as well as other options, prior to deciding on a course of action.

MENTAL HEALTH ISSUES

Question. Secretary Gates, recent findings by the Mental Health Advisory Team show that multiple and longer deployments result in more mental health problems for soldiers and Marines such as combat trauma, anxiety and depression, and cause more marital distress within military families. It also found that soldiers and Marines with mental health problems were more likely to violate ethical rules. How do you balance and reconcile these results with the recent decision to increase the length of Army deployments from 12 to 15 months?

Answer. Repeated and longer deployments in combat environments are inherently stressful. While the Army advisory team noted a correlation between combatants surveyed for mental health symptoms and ethical behaviors, it did not establish causality of the association. It is not clear at this point whether behaviors in combatant activities result in mental health symptoms or mental health symptoms result in ethical violations. We intend to conduct further research and in-theater field investigations to better understand and treat these issues.

Psychological injuries during combat operations are one of the inevitable costs of war and must be considered in the same fashion that physical injuries are considered. We grieve every injury and aggressively identify and treat such injuries to the best of our abilities.

Question. What steps would the Pentagon take to improve junior-level leadership and increase psychological training for military personnel?

Answer. Steps to improve psychological training for all Service members are continuous. In addition to training received in professional leadership development courses and suicide prevention programs, the Department of Defense (DOD) rolled out the Front Line Supervisors course in March 2007 by training trainers for all Services. It is a half-day course that sharpens supervisors' skills to better know their subordinates and to identify signs of psychological stress and appropriately respond to them.

In addition to the Front Line Supervisors' course, the three branches have fully implemented the Leaders Guide for Personnel in Distress, with the Marine Corps currently preparing their version of the program. These programs are formatted for both the web and compact disk. The Marine Corps also developed a small book for leaders. They cover 30 categories of stressful events commonly encountered by Service members; describe behaviors of concern for each, recommended responses and questions, and the specific actions to take within each Service, including appropriate referrals.

Looking to the future, a peer support system is being further developed for implementation across the DOD. In addition, the DOD is considering the development of a career path for military occupational psychologists who would be assigned to units, not just to medical programs. They would provide consultation to leaders, assist in the development of training programs to enhance resiliency, make recommendations regarding organizational employment of its human assets, and provide a dedicated professional sensor for those in trouble within such units.

Question. Secretary Gates, I am told that you have an on-going review with the Director of National Intelligence, Admiral McConnell, concerning the possible dual-hatting of the Under Secretary of Defense for Intelligence to report to both you and the Director. What are your views on this idea and the balance of authorities between the Director of National Intelligence and you, the Secretary of Defense?

Answer. I fully support the idea. Director McConnell and I signed a Memorandum of Agreement dual-hatting the Under Secretary of Defense for Intelligence as the Director of Defense Intelligence under the Director of National Intelligence. This reflects our collective strong commitment of cooperation and shared goal of improving the intelligence community. The agreement recognizes the crucial importance of coordinated intelligence efforts to the national security of the United States. The Defense Intelligence Components provide a full range of intelligence products and analysis to a broad spectrum of consumers from military forces in the field to senior policy makers across the federal government. These efforts are intertwined with the National Intelligence efforts overseen by the Director of National Intelligence.

As the Director of Defense Intelligence, Mr. Clapper will report directly to the DNI and serve as the principal advisor to the Director of National Intelligence regarding Defense Intelligence matters. The Director of Defense Intelligence will have responsibilities as determined by the Director of National Intelligence in consultation with me and promulgated separately.

As the Under Secretary of Defense for Intelligence, Mr. Clapper will report directly to me and retain the responsibilities and exercise the authorities as assigned by me and his focus will remain on providing the best intelligence possible to the warfighter.

U.S. SPACE POLICY

Question. Mr. Secretary, in August 2006 the President released an updated policy on space, which keeps the doors open to offensive space capabilities. The United States continues to reject United Nations negotiations that would prevent the militarization of space. Indeed, in this year's budget request, the Missile Defense Agency has a request for $10 million for a space-based test bed. Against this backdrop, in January the Chinese destroyed one of its own satellites with an anti-satellite weapon. While we decry the Chinese action what direction is the Department of Defense heading in, with regard to the weaponization of space?

Answer. Space capabilities have become integrated into our daily lives and are vital to our national security and the global economy. At the same time, potential adversaries continue to seek means to counter the advantages we obtain from space and to use space capabilities against us. Our space capabilities face a wide range of threats including radio frequency jamming, laser blinding and anti-satellite systems. The maturation of these threats, including China's anti-satellite capability, will require a broad range of capabilities, from diplomatic to military, to continue to protect free access to and peaceful use of space for all space-fairing nations.

The United States does not agree that new legal regimes or arms control agreements related to space "weaponization" would be helpful in protecting U.S. national security interests. None of the last five Administrations have been able to overcome the complexities of defining a "space weapon," or to identify meaningful verification and compliance mechanisms without artificially limiting peaceful and practical uses of space.

The U.S. approach to meeting these challenges is guided by the National Space Policy signed in August 2006. The new policy is consistent with long standing principles that were established during the Eisenhower Administration, such as the right of free passage and the use of space for peaceful purposes. The policy does not endorse, direct or prohibit the use of weapons in space. It acknowledges that space is vital to U.S. national security and directs the Department of Defense to develop capabilities, plans, and options to ensure freedom of action in space, and if directed, deny such freedom of action to adversaries. Our investment strategy for space and space-related activities is a balanced approach to achieving these capabilities. Our space control investment strategy, for example, balances the need for space situational awareness, protection of our space capabilities and protection of terrestrial forces and the homeland from threats posed by adversary use of space.

NATIONAL GUARD EQUIPMENT

Question. Secretary Gates, we have heard concerns that part of the problem is that funds intended for Guard equipment are sometimes diverted to other purposes. What can be done to insure that the funds intended to equip the National Guard actually reach their destination?

Answer. Although the President's budget request segregates funding in the Military Construction, Operations and Maintenance, and Personnel accounts by Reserve component, the Reserve component procurement accounts are consolidated within the Active component funding. While separate appropriations would provide Congress the transparency and accountability it seeks, it would also restrict the Department's ability to respond to dynamic and emergent requirements.

The Department can track Reserve component appropriations and execution internally without separate appropriations as we have done in the 2007 and 2008 Supplemental requests.

The Department executes the Congressional National Guard and Reserve Equipment Appropriation to the fullest extent possible. These funds, provided by Congress are above the President's budget request and are specifically for Reserve component's equipment procurement. Also, these funds are managed independent of the Active components' procurement accounts.

DEPLOYMENT POLICIES

Question. Secretary Gates, recently you announced that Army deployments to Iraq and Afghanistan will be extended to 15 months. This policy will also affect soldiers currently in theater who had planned on returning home three months earlier. How do you think this will affect morale, considering that Marines will continue 7 month deployments and Army guardsmen and reservists 10 month deployments?

Answer. I have directed our Active component Army soldiers to temporarily extend in Theater for three months in order to allow them to remain at home for a minimum of 12 months. This commitment provides predictability for the soldier who now knows when he/she will deploy and when he/she will return home. I believe the soldier and families understand the need to temporarily extend Army deployment times and appreciate the predictability it present.

Question. Mr. Secretary, do you believe that it will be problematic to deploy Army guardsmen and reservists for a different duration than active soldiers?

Answer. The Services have all maintained different deployment durations as part of their force generation model and have been able to meet deployment requirements. My commitment to have a 12 month mobilization for the Reserve component recognizes the different characteristics of the Reserve component and Active component. There may be challenges associated with the new deployment duration in rotation planning but nothing that cannot be overcome.

SCIENCE AND TECHNOLOGY FUNDING

Question. Secretary Gates, the fiscal year 2008 request for science and technology funding represents only 2.2 percent of the total DOD budget. This is down from 2.5 percent in fiscal year 2007. Is this level of funding sufficient to maintain our leading technological edge in the future?

Answer. The fiscal year 2008 Science and Technology (S&T) request is 2.24 percent of the DOD Total Obligational Authority. This apparent reduction from last year's percentage is the result of an fiscal year 2008 top line increase to support procurement and operations and maintenance costs, primarily for the Army and Navy Departments in support of the ongoing war on terrorism.

Our S&T investment is properly sized to support fundamental technology development. It retains sufficient flexibility to realign funding to address new technology areas, as demonstrated by our ability to reshape the S&T program to address transformational gaps outlined in the 2006 Quadrennial Defense Review. The fiscal year 2008 request represents a stable investment, balanced with other Departmental priorities.

Question. Secretary Gates, how can we attract and retain the next generation workforce of scientists and engineers in an era of constrained resources?

Answer. The technological superiority enjoyed by our armed forces on the battlefield today is not a product of short-term investment. Rather it is the culmination of decades of accrued Research and Development (R&D) investment in a broad spectrum of fundamental areas. The next generation of science and engineering talent, their number, educational levels, skills, and capability to perform defense work is the direct result of efforts and investments already made over the last 10 to 20 years. Thus, any measurable impact on the next decade should demand a similar, continuing, multi-point investment such as that found in the National Defense Education Program (NDEP). NDEP's investment approach is in concert with the 2006 National Academy of Sciences' "Rising Above the Gathering Strom" report recommendations (A–3 and C–2) for K–20-based approaches to national workforce challenges. Under NDEP, DOD provides stimulation, encouragement, exposure, incentives, and financial support to middle school, high school, undergraduate, graduate, and faculty levels.

The Department has unique requirements for clearable, high-quality scientists and engineers who are educated in the physical sciences, facile with technology, and employed in DOD programs. The DOD Science, Mathematics, and Research for Transformation (SMART) program (one part of NDEP) supports advanced education of qualified people. SMART requires a post-graduation civil service agreement commensurate with the financial support provided. This agreement is directly analogous to Service academy agreements for post-graduation active duty and its service condition is not onerous. In the current cycle, more than 1,200 fully qualified people applied for approximately 60 SMART awards. In budget-constrained times, providing targeted, educational assistance that secures a guaranteed payback service period is a sound policy that will help build the clearable future workforce we need to maintain our technological superiority.

Retaining these valuable people in today's intensive, high-technology environment is a continuing mission that depends on multiple factors such as adequate compensation, intelligent management, modern facilities, tools, and state-of-the-art equipment. In the end, retention may hinge primarily on the work itself. Defense science and engineering work that is directly connected to national security, mission-oriented, well managed, and appropriately funded should create an environment in which the workforce becomes self-retaining.

TRICARE EFFICIENCY WEDGES

Question. Secretary Gates, the fiscal year 2008 budget for the Defense Health Program assumes $507 million in savings in military treatment facilities from so-called "Efficiency Wedges". In light of the recent problems at the Walter Reed Army Medical Center, which showed a clear funding shortfall in the current health system, and with the anticipated increase in the number of injured service members returning from the battlefield with severe injuries, why is DOD mandating savings in this critical area at this particular time?

Answer. The fiscal year 2006 Defense Health Program Budget was reduced by $94 million in anticipation of efficiencies accomplished by the Services that would decrease costs. During the execution of the fiscal year 2006 budget, efficiencies were achieved through a combination of implementing the TRICARE Uniform Formulary, which decreased drug expenditures in the direct care system for all three Services, and the following Service specific initiatives:

—The Army Medical Department focused on increasing inpatient and outpatient market share, and rewarded successful facilities with additional resources earned through the Prospective Payment System.

—Navy Medicine focused on the consolidation of dental activities into the organization structure of their MTFs, enabling elimination of duplicative overhead activities and the achievement of staffing efficiencies in dental and support areas.

—The Air Force Medical Service focused on elimination of inefficient inpatient care facilities, with reinvestment of personnel at locations where significant workload recapture potential exists.

For fiscal year 2007 and fiscal year 2008, the focus is for the Services to continue to build on the fiscal year 2006 efficiencies that were initiated and to continue to realize savings in pharmacy expenditures produced by the TRICARE Uniform Formulary. In addition, the Director, TRICARE Management Activity and the Service Surgeons General are taking action to identify opportunities for efficiencies by identifying the most critical mission activities and then applying Lean Six Sigma methodology to achieve process improvements.

Note the fiscal year 2008 incremental increase in the Efficiency Wedge was reduced from $248 million to $227 million to account for an overlap in cost reductions targeted for a different initiative.

Question. What steps has DOD taken to improve current military treatment facilities and cut down bureaucratic paper work for injured service members?

Answer. To date, the Department of Defense (DOD) has made the following operations and maintenance and military construction investments to improve current military treatment facilities: fiscal year 2003—$576.5 million; fiscal year 2004—$589.2 million; fiscal year 2005—$962.7 million; and fiscal year 2006—$1210.3 million.

There is noted redundancy in many of the Disability Evaluation System forms utilized by the Military Departments. As such, the Military Departments are working to reduce and simplify forms required for the Medical Evaluation Board and Physical Evaluation Board ensuring that they are legally sufficient but not redundant or superfluous. The Military Departments are also examining various automation systems to enable electronic transfer of documents and case oversight.

SUPPLEMENTAL BUDGETING

Question. Secretary Gates, there used to be a more clear distinction between regular budgets and Emergency Supplementals. The delineation was understood—only true emergencies such as disaster relief and contingency operations were funded via supplemental appropriations. Today, the distinction is blurred. Could you tell us your views on the distinction between what should be funded in the regular budget versus supplemental budgets?

Answer. I agree generally that supplementals ought to be reserved for true emergencies such as disaster relief and contingency operations. The President's fiscal year 2008 budget request is consistent with that idea—in that he included estimated incremental costs for the Global War on Terror.

ARMY MODERNIZATION

Question. Secretary Gates, while the Army is fully committed to operations in Iraq and Afghanistan, it is also addressing major institutional challenges to transform. Is the Army adequately resourced to successfully reconstitute, transform and sustain readiness? How have you assessed the risks to readiness at the projected funding levels?

Answer. Throughout the year, the Department continues to evaluate the readiness of the military for both near and long-term missions. Yes, I believe the Army is adequately resourced. Regarding readiness, I believe our requested funding will support prudent readiness levels for our armed forces.

DEFENSE ADVANCED RESEARCH PROJECTS AGENCY (DARPA)

Question. Secretary Gates, we understand that funding for the Defense Advanced Research Projects Agency has been reduced in support of other, higher priority research initiatives. DARPA is supposed to be at the forefront of technological challenges facing the Department. Does this shift in funding imply that DARPA's efforts have not addressed essential DOD priorities?

Answer. DARPA's priorities and focus have not changed, and DARPA continues to address DOD high priority areas. As such, DARPA supplies technological options for the entire Department and is designed to be a specialized "technological engine" for transforming DOD.

Question. Secretary Gates, which metrics do you apply in measuring how much of DARPA's efforts "graduate", if you will, into Service programs?

Answer. The Defense Advanced Research Projects Agency (DARPA) has instituted an approach that links a Service transition partner with the program manager early in the development process. As a major factor in his decision to fund or not fund a program, the Director of DARPA considers the existence of a written Service commitment early in the Advanced Technology development. This is a document that is signed by the Director and by one or more of his equivalents in the accepting Service.

This method of transition has been effective, and it also provides a measurable metric. At the time of the fiscal year 2008 President's budget submission, over 85 percent of DARPA's Advanced Technology Development programs were covered by either signed commitments, or commitments in some stage of preparation.

F–22 RAPTOR

Question. Mr. Secretary, what are your views on the sufficiency of the F–22 Raptor buy and the need for two fifth-generation aircraft in the Air Force inventory (the F–22 and the F–35 Joint Strike Fighter).

Answer. The F–22 Raptor and F–35 Lightning II bring unique and complementary fifth generation tactical air capabilities to the modern battlespace. The Raptor achieves and maintains Air Dominance by focusing on air-to-air and Destruction of Enemy Air Defenses (DEAD) missions. The Lightning II adds a variety of advanced air-to-ground munitions and brings fifth generation attributes to fulfill missions such as Close Air Support (CAS), Suppression of Enemy Air Defenses (SEAD), DEAD, and Interdiction in high threat environments. Combined, these two platforms enable joint operations in environments that would be considered denied, "anti-access" air space to earlier fourth generation tactical aircraft. The F–22, which is now operational, has demonstrated superior operational capabilities over previous generation aircraft. The 2005 Joint Air Dominance study and the Quadrennial Defense Review substantiated the need for a minimum of 183 F–22s. While the Air Force has consistently stated that a requirement for 381 to meet national security requirements with an acceptable level of risk, it is the Department's position that the current program of record provides an affordable balance of tactical air capability.

SATELLITE ACQUISITION

Question. Mr. Secretary, the Air Force has yet to demonstrate that it has schedule, costs, and quality under control when building satellite systems. When systems seem on the verge of recovering from years of challenges, DOD reduces the number of satellites and begins new, more high tech satellites as replacements to systems that haven't launched yet. In this environment, how can the Air Force bring stability to space programs and get cost and schedule under control?

Answer. The Department is committed to the stability of space program acquisitions and has taken several measures to improve management of these acquisitions. These include implementation of best practices such as those recommended by the Young panel and by the General Accountability Office (GAO) to separate technology discovery from acquisition, following an incremental path to meeting user needs, matching resources and requirements at program start, and using quantifiable data and demonstrable knowledge to make rigorous decisions to move to the next phase of the acquisition process.

The development of space systems presents special challenges, and the Department is addressing these through process improvements. A large space system typi-

cally takes seven to eight years to develop from the time of contract award to launch. In the past, the maturity of the technologies that will be relied upon was estimated only at the beginning of the development. DOD now re-evaluates these technologies for actual maturity prior to committing to the design and development phase to ensure risk is minimized. Also, it is natural for requirements to adjust and mature over the course of time. In order to stabilize requirements so design work can begin, the Department is adopting a block approach to satellite development. This approach provides for stability in requirements and design in an ongoing development block while allowing new capability to be added in future blocks. Finally, the Department is stressing the use of management metrics and recurring senior level reviews during the execution phase. Closely monitoring performance against established metrics provides early notification of potential problems at a point when action can be taken at the most appropriate time.

The Department is directly addressing several of the identified causes of cost and schedule growth. National Security Space (NSS) Acquisition Policy Directive 03–01 mandates an Independent Cost Estimate as part of the criteria for progression to each Key Decision Point of space programs. NSS 03–01 also requires an Independent Program Assessment with increased focus on technical baselines and risk assessments. In addition, DOD is taking measures to renew the focus on program management, including keeping program managers in place for longer periods, development of a space cadre to ensure that knowledgeable leadership will be in place for space acquisitions, and encouraging development of robust engineering and cost estimating expertise in our workforce.

SHIPBUILDING

Question. Secretary Gates, this subcommittee has long been concerned with the state of Naval shipbuilding. The fiscal year 2008 budget request provides funding to procuring seven new ships. Is that a build rate that in your view will maintain a fleet that is adequate to the nation's needs?

Answer. The PB08 budget supports the Navy's PB08 Long Range Plan for the Construction of Naval Vessels, which outlines the procurement of 67 ships over the Future Years Defense Program (fiscal year 2008–2013). Although the Navy has averaged a build rate between 6 and 7 ships per year over the past several years, there are an average of 11 ships per year procured across the FYDP in the Navy's Long Range Plan, to include DDG 1000, CG(X), Littoral Combat Ship (LCS), T–AKE, VIRGINIA Class SSN, CVN 21, MPF(F), LPD 17, JCC(X), JHSV, and LHA(R). The Navy is committed to average annual funding over the long term of $13.4 billion (fiscal year 2005 dollars). The Navy's yearly budget submissions will vary above and below that $13.4 billion average line as year to year requirements differ in the production of a balanced force structure mix. The procurement profile is designed to minimize capability risk and industrial base risk, and pace the threat while emphasizing affordability.

QUESTION SUBMITTED BY SENATOR ROBERT C. BYRD

Question. Secretary Gates, in the past you have suggested that the Department of Defense should be funded at a level of approximately 5 percent of the Gross Domestic Product. The Congressional Research Service has suggested that in constant 2007 dollars, DOD funding, including the Global War on Terror, is at or near its highest level at any time since 1950. In addition, the growth of the Department of Defense budget continues to constitute a larger and larger portion of the discretionary budget. How do you justify your claim to such a large and growing percent of the Gross Domestic Product? How would such a level of funding for the Department of Defense affect the U.S. economy and other government-funded programs?

Answer. The justification for any level of defense spending should always be what is needed to safeguard America and its vital interests. My responsibility is to recommend a prudent and feasible national defense program for achieving that aim. The President and the Congress share the heavy responsibility of evaluating America's defense needs and deciding what is an acceptable level of security and what is an acceptable level of funding given our nation's other needs and possible impacts on the U.S. economy.

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. Is there a discrepancy between the support our guard and reservists receive when they return home and are deactivated compared to regular active duty troops? If so, what are we doing to fix it?

Answer. While National Guard and Reserve members are eligible for the same benefits, privileges, and support as regular active duty troops upon deactivation, there has long been a concern that these members may not have easy access to them due to geographical separation from military installations once they return to their home communities. The Department and other agencies have initiated many programs to allow these Guard and Reserve members and their families to have more access to benefits and support services without traveling to a military installation. These programs include:

—The Department of Defense (DOD) Transition Assistance Program (TAP) was designed by the DOD to smooth the transition of military personnel (and family members) leaving active duty. TAP is a partnership among DOD, the Department of Labor, and the Department of Veterans Affairs.
  —The Official Transition Assistance Program Website, www.transitionassistanceprogram.com, includes a section that specifically addresses the transition needs for demobilizing Guard and Reserve members.
  —Information is available 24/7 and mobilizing and deploying Guard and Reserve members are encouraged to use the information prior to, during, and after mobilization and deployment.
  —Also provided on the Website are links to Transition Assistance Offices, a program to allow a member to develop an Individual Transition Plan, a newly developed Pre-Separation Guide for Guard and Reserve members, and includes a new Employment Hub.
  —There are also 207 community-based Vet Centers located in all fifty states, the District of Columbia, Guam, Puerto Rico and the United States Virgin Islands.
  —Additionally, the National Guard has provided a full-time Transition Assistance Advisor in each of the 54 states and territories.
—DOD has established a 24-hour, 7-day a week toll free telephonic, internet and e-mail Quality of Life assistance service (Military One Source), which is designed to help members and families balance the competing demands of work, deployments and family/personal life.
—Military Family Life Consultants (MFLCs) are another resource available to National Guard and Reserve families. The goal of the MFLC is to prevent family distress by providing on-site education and information on family dynamics, parent education, available support services, and the effects of stress and positive coping mechanisms.
—The Department is working with the Services and Reserve components' family support activities to reduce stress on members and families, such as: integrating family support programs into more of a total force effort, thereby increasing mutual support across component and Service lines; surging the distribution of information materials, making families more aware of benefits and resources; and, increased emphasis on return and reunion programs.
—Over 600 family assistance centers around the world (approximately 340 of them sponsored by the National Guard and managed by the State Family Program Coordinators in each of the 54 States and Territories) are providing support services.
—The Department has taken positive steps to "get the word out" about entitlements and benefits available to the reserve community. We are capitalizing on technology by using the internet to provide information:
  —*Benefits*.—We have published several documents which are available on line to members and families while the military member is mobilized/deployed:
    —8th Edition of the Guide to Reserve Family Member Benefits (March 2007) as well as the Guard and Reserve Family Readiness Toolkit (January 2006)
    —A Mobilization Information and Resources Guide (October 2001. last updated May 2007)
    —A Family Separation and Readiness Training Guide (Partnered/linked from Air Force Crossroads November 2002)
  —*Deployment Information*.—The Department developed and implemented publicly accessible "Deploymentconnections.org," "Military Homefront," "America Supports You" and other websites to make available current information on deployments, support and other information of interest to members, families and extended families.

—A Regional Joint Family Support Assistance Program is being designed as required by the fiscal year 2007 National Defense Authorization Act. Critical components of the program involve building coalitions and connecting Federal, state, and local resources and non-profit organizations to support Guard and Reserve families. Best practices learned from more than 30 Inter-Service Family Assistance Committees and the Joint Service Family Support Network will guide the planning process. The Minnesota program, as well as programs from several other states, will serve as models.

Question. What are you doing to help diagnose, treat, and rehabilitate traumatic brain injuries and PTSD? What are the schedules for screening after soldiers and Marines return from combat deployments? Are family members or other loved ones contacted as part of post deployment screening?

Answer. Diagnoses of traumatic brain injuries (TBI) are usually made at the time of head trauma, such as being injured or affected by an explosion. Some Service members may have manifestations not initially appreciated after head injury such as fatigue, irritability, or subtle cognitive impairment. For this reason, questions assessing potential TBI have been added to the post-deployment health assessment, post deployment re-assessment and periodic health assessment.

While most patients with mild TBI symptoms spontaneously recover without treatment, for some patients symptoms persist. Symptoms of TBI often respond to medical treatment. Implementation of a process to establish a neurocognitive baseline for Service members may be useful for comparison of performance after any subsequent injuries. The Defense and Veterans Brain Injury Center Working Group has created clinical practice guidelines and recommendations for the acute management of military TBI in military operational settings. The finalization and dissemination of these guidelines is pending.

Symptoms of Post Traumatic Stress Disorder are assessed during both the Post Deployment Health Assessment five days before redeploying from theater, and again, 3–6 months after returning home as part of the post deployment health reassessment. Like all the conditions included on these assessments, each Service member has a private encounter with a medical health care provider to discuss any mental health concerns. Appropriate referrals are made according to the type and severity of physical or mental health concern that the Service member indicates verbally and/or in writing.

Family members are strongly encouraged to participate in family support functions and groups during deployments, such as the Army's Family Readiness Groups. Those who participate often engage in the same kinds of reintegration/reunion preparation processes their spouses are experiencing in theater prior to returning. Family members are strongly encouraged to participate, though as civilians they cannot be required to do so.

In addition, many support systems exist for families, including installation family support services, and the online MilitaryOneSource program. In addition to online education related to deployment challenges, confidential free counseling is available both by phone (24/7) and face-to-face counseling, up to 6 sessions per identified problem. Mental health screening/education is available to all Service and family members online at www.militarymentalhealth.com.

QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

SALE OF SHADOW UNMANNED AERIAL VEHICLES (UAVS) TO POLAND

Question. Background: The United States approved the sale of 2 UAV systems to Poland in Fall 2006. And while the Polish government has had the Letter of Agreement (LOA) since January 2007, they have not signed it yet because they wish to make some changes. Specifically, they want the LOA amended to include NATO-compliant up-armored Humvees. These vehicles are needed to support the UAV systems, and Poland is preparing to take leadership of the NATO mission in Afghanistan in July 2007. Unfortunately, American production lines for Humvees are not making NATO-compliant trucks because they are not needed in Iraq. Even if Poland's request for NATO Humvees could be granted today, there might not be enough time to deliver the system and train Polish forces before they take over the NATO mission in July 2007.

What is the status of the sale of Shadow UAV systems to Poland?

Answer. There are a few inaccuracies in the background data that accompanied the question. The correct information is incorporated in the following response.

Congress approved the proposed sale of 2 Shadow UAV systems to Poland in August 2006. U.S. Army briefed the program and presented a draft Letter of Offer and

Acceptance (LOA) to the Poles in September 2006. Since that time, the Poles have forwarded multiple rounds of questions and have requested several changes to the program (including nonstandard HMMWVs that include EU requirements). In February 2007, the Poles indicated that further program changes might be forthcoming, but so far none have been requested. The U.S. Army responded to Poland's latest set of questions on May 15, 2007 and is waiting for Poland's go-ahead to proceed with the program.

DOD could provide the LOA for final signature (in its current form) within two weeks. If there are additional changes, it will take additional time to rework the LOA and validate the pricing, but we will expedite the process to the maximum extent possible. We expect a decision from the Poles in mid-June.

Poland does have troops in Afghanistan, but is not scheduled to take over the NATO mission. That said, we cannot guarantee at this time that a Shadow UAV system could be provided during Poland's deployment to Afghanistan.

Question. What can we do to help Poland complete this sale in time for them to take over leadership of NATO mission in Afghanistan in July?

Answer. Although Poland is not scheduled to take over the NATO mission, it does have more than 1,000 troops currently deployed to Afghanistan.

Unfortunately, it is not possible to provide Shadow 200 UAV systems to Poland by July 2007. The estimated production lead-time of 31 months is driven by the availability of all items and subsystems that make up the Shadow UAV system—not only the air vehicles produced by AAI, but also U.S. Government Furnished Equipment such as HMMWVs and radios (which are in very short supply).

Once Poland signs a Foreign Military Sales case to purchase the UAVs, U.S. Army personnel will make every effort to expedite delivery. An expedited solution, if feasible, may require the Poles to accept U.S.-standard HMMWVs (instead of HMMWVs that incorporate EU requirements) or supply their own radios on an interim basis. But even with extraordinary efforts, we cannot guarantee at this time that a Shadow UAV system could be provided during Poland's Afghanistan deployment.

Question. Did Secretary Gates address this during his recent trip to Warsaw?

Answer. This subject did not arise.

Question. What did the Polish government say about the importance of this sale?

Answer. We understand the program currently has the personal attention of the Polish Minister of Defense and the Chief of Defense. However, the Ministry of Defense has so far been unable to reach a decision on whether to proceed. The Poles have expressed urgency in receiving the UAVs in support of their Afghanistan mission, yet continued inquiries and requests for changes have delayed the program and precluded the U.S. Army from finalizing the Letter of Offer and Acceptance (LOA).

In recent weeks, there have been indications that the Poles are considering canceling or delaying the UAV program in favor of other emerging requirements that urgently require Foreign Military Financing (FMF) funding. The Poles are evaluating several options: (1) proceeding with the current program, (2) deferring the procurement until future years, (3) purchasing one Shadow system instead of two, or (4) canceling the program in favor of a direct commercial purchase. We expect a decision in mid-June.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

Question. Mr. Secretary, you may know that Cannon Air Force Base was placed in enclave status as a result of the 2005 BRAC process, and the Department of Defense was instructed to seek a new mission for Cannon. Last June, the Department decided Cannon will be home to a new Air Force Special Operations Command (AFSOC) wing, but I am concerned about a lack of plans to build up the base to meet AFSOC's needs in the near term. Why aren't Special Operations Command's $72 million in fiscal year 2008 Cannon unfunded MILCON requirements budgeted for by the Department, what will it mean in terms of operational capabilities, personnel, and assets at Cannon if these unfunded requirements remain unfunded, and what does the Department need from Congress to make sure that Cannon has the assets and facilities it needs as AFSOC stands up its Western base on October 1, 2007?

Answer. Requirements for the Special Operations Facilities at Cannon Air Force Base are funded in the FYDP, primarily in fiscal year 2011–2013. A complete infrastructure plan, reflecting the new mission at Cannon, was not finalized and approved before the fiscal year 2008 President's budget was lacked and submitted to Congress. Consideration of accelerating the build-up of infrastructure did not mate-

rialize until after the budget was submitted. Now that plans are more concrete, the Department can reevaluate the timing and the funding of the military construction projects to support this initiative. So accelerate the projects from the out-years, USSOCOM needs $72 million in fiscal year 2008. Accelerating the funding would enable USSOCOM to start the projects at Cannon much earlier. There is an AFSOC team at Cannon that is working with the Air Force to ensure a smooth transition plan. The AFSOC ownership date remains October 1, 2007, and unit standups at Cannon in fiscal year 2008, fiscal year 2009, and fiscal year 2010.

Question. Mr. Secretary, with the fiscal year 2007 supplemental appropriations request still pending in Congress, I'd like to talk about your efforts in and needs for the Global War on Terror. What are your plans for the U.S. military if the Iraqi government does not take responsibility for establishing a self-sufficient and stable government and honor the commitments it's made to the United States, like taking responsibility for security in all provinces and providing $10 billion for reconstruction efforts, by this fall?

Answer. We should never forget that the Iraqi leadership is operating in very difficult and dangerous circumstances and is facing a very complicated political, military and economic situation. Indeed, it is hard for those of us who have lived all our lives under a stable constitutional order to imagine the types of challenges faced by the top officials of the Iraqi government.

We remain confident that the Iraqi government will make progress with respect to the issues you mention. Obviously, it is unreasonable to impose a hard-and-fast deadline on a government that is operating in such a fluid and complex situation.

The New Way Forward, announced by the President in January, continues to guide our actions in Iraq. The initial signs are encouraging, but it is too soon to infer trends.

Question. As you know, Holloman Air Force Base has some amazing assets to offer the Air Force, including air space and nearby training capabilities at White Sands Missile Range. Your budget proposes retiring the remaining Holloman F–117s in fiscal year 2008. While I understand that a transition plan is in place to bring F–22s to the base, I am interested in other ways your Department might use Holloman's assets. Is the Department looking at other missions that could benefit from Holloman's air space and other assets, including working with other Services on joint missions, and has the Department considered what other Services might utilize Holloman, possibly for unmanned aerial vehicles because of the installation's proximity to vast training areas and its ability to readily interact in a joint training and development environment with the Army at Fort Bliss, Texas and White Sands Missile Range, New Mexico?

Answer. Yes, as a result of the F–22 basing decision, the Air Force is working closely with the Army to expand the use of White Sands Missile Range (WSMR)-Holloman airspace for supersonic and defensive training. This training will take advantage of existing joint air and missile defense training of PATRIOT crews and their command and control on the WSMR.

In the future, Air Force special operations forces (SOF) stationed at Cannon Air Force Base, NM will utilize the WSMR-Holloman training complex for joint conventional-SOF integration training. As part of this move, Cannon Air Force Base, NM is scheduled to receive the 3rd Special Operations Squadron, currently flying Predator unmanned aerial vehicles at Nellis Air Force Base, NV in the summer of 2008, but there are currently no other plans to station additional unmanned aerial vehicle assets in New Mexico.

Aside from these requirements, there are currently no other missions being considered for Holloman Air Force Base.

Question. Members of the New Mexico National Guard have raised serious allegations that racism may have played a role in a 2006 Army investigation relating to National Guard gang activity in Kuwait. Such allegations would be concerning to any member of Congress, but are especially so for me since I represent a State where a majority of the population is Hispanic. I've asked Army Secretary Geren to promptly and fully investigate these claims, but I'd like to know what you can do to also help us get to the bottom of this problem.

Answer. Senator, as you stated, the Army is currently reviewing this matter. I would prefer to not interfere or comment until the Acting Secretary of the Army's review is complete and we know all the facts. You may be assured that we will work with the Army on this issue, and ensure that you are notified of the results of the Army's review upon completion. Racism should have no place in our Armed Forces.

Question. A recently released General Accountability Office report indicates that as of November 2006, non-deployed Army National Guard forces in New Mexico ranked last in the nation regarding equipment readiness, with less than 40 percent of the total amount of dual-use equipment they are authorized to have for war-fight-

ing missions. What actions is the Department taking to ensure that New Mexico's National Guard has the equipment it needs for missions at home?

Answer. The Department of the Army is investing approximately $24 billion in Army National Guard (ARNG) equipment from fiscal year 2007 to fiscal year 2011 and another $6 billion in fiscal year 2012 and fiscal year 2013. Much of this equipment will have utility for both domestic and war fighting missions. If executed as planned, this funding will bring ARNG equipping levels to 77 percent by fiscal year 2013–15.

The ARNG leadership is sensitive to the fact New Mexico is below the national average and ranks near the bottom in critical dual use equipment. The ARNG leadership briefed a New Mexico delegation on Capitol Hill this past spring and discussed the various causes for New Mexico's low percentage of equipment. New Mexico is among the smallest force structures in the ARNG. This small structure allows deployed or Theater Provided Equipment (TPE) to significantly affect their equipment on hand percentages. New Mexico left 13 percent of its equipment in theater and has an additional 6 percent currently deployed with activated units. Furthermore, New Mexico recently reorganized from air defense to infantry and engineers resulting in an increase in equipment requirements.

The Army National Guard is currently sending engineer equipment to New Mexico from other deactivating units. State representatives mentioned on May 21, 2007 that the equipment is coming in faster than expected and in good condition. This month New Mexico received 99 High-Mobility Multipurpose Wheeled Vehicles (HMMWVs) from the ARNG RECAP program. In addition to these programs New Mexico's fiscal year 2007 and fiscal year 2008 programmed equipment deliveries are 2,108 pieces of equipment valued at $20.2 million.

QUESTIONS SUBMITTED BY SENATOR MITCH MCCONNELL

Question. Are there any plans under consideration to transport hydrolysate from the Blue Grass Army Depot, Kentucky to another state as was recently undertaken in Indiana? If so, in what manner would the Congress and the affected local communities be consulted ahead of time (vice informed)?

Answer. In 2003, the Department of Defense (DOD) selected neutralization destruction technology to destroy the chemical weapons stockpile located at the Blue Grass Army Depot, Kentucky, followed by on-site supercritical water oxidation to treat the neutralization by-product, hydrolysate. The DOD, through the Assembled Chemical Weapons Alternatives (ACWA) Program, is currently researching and developing initiatives for greater efficiency. One such initiative includes the option to ship and treat hydrolysate off-site to a commercial treatment, storage and disposal facility. Such an option may accelerate the schedule as well as reduce program costs.

Since the ACWA Program's inception in 1996, community involvement has played a significant role. The DOD has consistently considered the community's concerns when making technology decisions on the program. Such public involvement will continue as we seek to eliminate the risk to the public and the environment from continued storage of the chemical weapons stockpile quickly and reduce costs without compromising safety and the environment. In Kentucky, the primary public involvement mechanisms are the governor-appointed Kentucky Chemical Demilitarization Citizens' Advisory Commission and its independent subcommittee, the Chemical Destruction Community Advisory Board, known as the CDCAB. The CDCAB is composed of a diverse group of community leaders, including Congressional staff, organized to represent the views and concerns of all sectors of the local community on issues regarding the Kentucky chemical weapons disposal program.

If the DOD considers transporting hydrolysate off-site for treatment and disposal, the Congress and the affected local communities will be briefed on the various options considered to seek their views and concerns. After review and assessment of these views and concerns, the DOD will make the decision on whether to treat the hydrolysate on-site or transport off-site.

Question. It has come to my attention that some operations at military installations are encumbered by the need for compliance with Davis-Bacon. How much would you estimate the Department of Defense would save annually if it did not have to comply with Davis-Bacon?

Answer. We do not collect data that would provide an estimate of how much the Department of Defense (DOD) would save annually if it did not have to comply with the Davis-Bacon Act. What our contract data reporting system does tell us, however, is that the Davis-Bacon Act was reported as applying to approximately 2.5 percent (or $7.5 billion) of DOD's $295 billion fiscal year 2006 acquisition dollars spent.

QUESTIONS SUBMITTED TO GENERAL PETER PACE

QUESTIONS SUBMITTED BY SENATOR DANIEL K. INOUYE

EXECUTIVE AGENCY FOR UAVS

Question. General Pace, are there other ways to gain efficiencies in the development of UAVs while taking into account service-specific needs?

Answer. In 2005, in response to a previous Air Force executive agency initiative, the Joint Requirements Oversight Council (JROC) established two organizations for the purpose of gaining efficiencies in development of UAVs and the joint tactics, techniques and procedures (TTP) that guide their employment. The Joint Unmanned Aircraft Systems Center of Excellence (JUAS COE) at Creech AFB, NV, is an operationally focused, joint organization tasked with developing joint TTPs and doctrine as well as facilitating integration of UAV capabilities into joint and component training and exercises among the Armed Services. The JUAS COE is currently led by an Army brigadier general; but June 19, Air Force Brigadier General Charles Shug will take command. The other organization formed in 2005 by the JROC is known as the JUAS Materiel Review Board (MRB). Its mission is to provide a forum to identify or resolve requirements and corresponding materiel issues regarding interoperability/commonality and the prioritization of potential solutions. Both the MRB and COE work together closely and coordinate their activities. Currently, there are several multi-Service collaborative efforts that offer programmatic efficiencies: the Army and Navy have coordinated on the FIRESCOUT program, the Army and Marine Corps have cooperated on the SHADOW program, and the Army, Marine Corps, and USSOCOM have all cooperated on the RAVEN-B program.

Question. General Pace, the Air Force has asserted that they can shorten fielding times, focus research and reduce logistics costs. These assertions may argue for centralized procurement but not centralized operational control. Has the Air Force presented a business case for review?

Answer. We have not seen an Air Force business case for review with respect to their assertions. Quantitative data for further evaluation is still required and is being developed. Air Force assertions and proposals for executive agency (EA) are also being considered within the context of a larger effort to determine whether the designation of a military department as UAV executive agent for the Department of Defense would serve as the best means of eliminating unnecessary duplication of effort.

Question. Secretary Gates, has success in moving towards joint operations and net-centric warfare blurred the traditional lanes of Service responsibilities—and is it time for another broad look at the Services' roles and missions?

Answer. The Department has continued to progress in moving toward joint operations and joint net-centric warfare. We continue to transform our equipment, our forces, and our cultures to embrace joint net-centric operations. Movement toward joint net-centric operations has not blurred the traditional lanes of our Services.

As transformation efforts mature, fundamental changes in process, policy, and culture will occur. The Services still provide unique core competencies: The Army continues to lead our land warfare efforts; the Navy leads our maritime and littoral water efforts; the Marines lead our amphibious and littoral land operations efforts; and the Air Force leads our air and space efforts. These core competencies are packaged to provide joint capabilities for conducting the full spectrum of military operations. As efforts to transform to a net-centric force improve, joint warfare concepts and operations become further institutionalized and the timing to conduct such a review may be appropriate. Joint net-centric operations have given the joint force commander more options to employ force packages composed of Service elements. These can be quickly tailored to any specific mission. This has allowed us to use Service trained and equipped forces in broader ways than traditional lanes allowed. The result is a more efficient and effective force that can operate jointly at a much closer and lower level than we ever envisioned. This has not so much blurred the lanes between the Services, as it has allowed us to maximize the capabilities that the Services collectively bring to the table.

Our advances in joint operations and net-centric warfare have identified new capabilities in areas where roles and missions have not been established. A recent example of this is the approval of the National Military Strategy for Cyberspace Operations. This strategy highlights the need for addressing joint and Service war fighting roles and missions in cyberspace. Given the emerging nature of cyberspace operations, we are assessing the roles and responsibilities required to operate in this domain. However, it is premature to recommend changes until the joint community

is allowed to constructively debate the complex issues involved with building the capacity to conduct cyberspace operations.

STRATEGIC LIFT

Question. General Pace, strategic lift is an enabling capability that is critical to U.S. military activities. Has your staff assessed the strategic lift requirement in light of end-strength increases and wear on the current lift aircraft?

Answer. Yes, our assessment is the end-strength increases should not substantially affect surge lift requirements. The Army and Marine Corps position is that the end-strength increases dwell time to deployment only. Given that position, projected end strength increases should not substantially affect surge lift requirements. Further analysis will occur during the next Mobility Capability Study, which will fully incorporate any changes in plans and requirements because the Services' force structure end-strength increases.

From 2001 to 2006, the C–17 fleet has over-flown its service life by over 159,000 hours. The over-fly can be attributed to the GWOT and the lack of proper basic aircraft inventory (BAI) resulting in additional aircraft wear and tear. Congress added 10 additional C–17s to the established 180 purchase, of which 7 will be used to correct the BAI shortfall and 3 will go toward recovering the wear and tear caused by the GWOT. An additional 2 C–17s are required to recover the remaining capability lost due to wear and tear caused by the GWOT for a total of 12 additional C–17s.

Question. What are your views on the strategic lift posture of the force today and for the foreseeable future?

Answer. The Mobility Capabilities Study (MCS) determined our projected capabilities are adequate to achieve the National Military Strategy into the next decade with "acceptable risk." However, some of the MCS findings require reassessment in the next mobility study planned in 2008, including: No increase in airlift demand from a revised strategy/planning construct, no program growth associated with Defense of the Homeland Defense mission, and no significant increase in intratheater demand.

On the airlift side, though we do not have our full complement of airlifters, we anticipate receiving our 190th C–17 by the end of 2009. Those C–17s, coupled with fully modernized C–5's, allow us to maintain the proposed 299 strategic airlift aircraft as stated in H.R. 5122 Sec. 132, which is near the bottom of the MCS strategic airlift range of 292 to 383 aircraft. Additionally, the dual-mission KC–10 along with our viable CRAF partners, will significantly contribute to our success, both today and well into the future.

On the sealift side, the follow-on study, MCS–06, expected to be completed in the fall of 2007, is reviewing the adequacy of the department's pre-positioning forces and tanker sealift capabilities.

DUAL HATTING

Question. General Pace, do you have any thoughts on dual hatting the USD(I) and the effect it may have on the warfighter?

Answer. [Deleted.]

NATIONAL GUARD EQUIPMENT

Question. General Pace, in this year's budget plan, the Army National Guard would be equipped to have 77 percent of its authorized equipment on-hand by fiscal year 2013. Given the important role of the Army Guard in fighting the war on terrorism and preparing for domestic emergencies, aren't you concerned that, five years from now, the National Guard may still be short by nearly a quarter of its authorized equipment?

Answer. There is no question that there has been a drawdown of equipment in the National Guard. As of May 2, 2007, the Army National Guard (ARNG) had an average equipment on-hand of 49 percent across the Nation. For equipment on-hand most suitable for State emergency purposes the equipment is at 53 percent across the Nation. Prior to 9/11, the ARNG was at 75 percent equipment on-hand across the country. We feel that 75–80 percent is the ideal range for equipment on-hand, but it must be the most modern and up to date and not outdated/in-lieu of and "cascading" equipment that the Active Component has already used up.

We feel that 75 percent equipment on-hand is about right for a few reasons. First, this is the historical level of on-hand equipment for the ARNG. Second, with a consistently changing mission requirements, constraining the Guard with equipment that may be mission obsolete in a year or two is not fiscally or mission responsible. Third, the maintenance on 100 percent authorized equipment would severely strain Guard resources and the DOD budget.

The Department of Defense currently has about $22 billion budgeted for the period fiscal year 2008 to fiscal year 2013 just for the Army Guard, and we have money in the budget for both the Army and Air National Guard in the fiscal year 2008 GWOT, as well as the fiscal year 2007 supplemental before the Senate.

But clearly, we need to follow through with this program to rebuild the stocks of equipment that are available to the National Guard.

READINESS

Question. General Pace, Army and Marine leadership continue to confirm to us that readiness of deployed forces is at the highest levels. However, this readiness often comes at the expense of non-deployed forces. What policies are being implemented to ensure that our non-deployed forces are no longer the bill-payers for the readiness of others?

Answer. The readiness challenges faced by our non-deployed units are particularly acute in the Army and Marine Corps. The Services must prioritize the readiness of deployed or deploying forces and accept some degradation of readiness in recently returned units as part of the deployment cycle. The current demand for forces amplifies the effect of this cyclic process and there are few policy options available that would alleviate the burden on non-deployed units. This is due to the scarcity of resources faced by the Services as they attempt to meet current requirements.

There are processes that help minimize the burden on non-deployed forces. Over the past two years, we have used the Global Force Management process to ensure the deployment burden is equitable and shared through global sourcing of units and in-lieu-of sourcing. The Army conducts Force Feasibility Reviews on the highest demand systems to determine the acceptable number of systems that can be fielded to units. This allows greater distribution of high-demand items across the force. Supplemental funding is being directed to improving personnel readiness and addressing equipment shortages in units that have been employed in the harsh operating environments of Iraq and Afghanistan.

FUTURE COMBAT SYSTEM (FCS)

Question. General Pace, the Army is undertaking a massive effort to modernize its force for the future, while at the same time struggling to sufficiently resource its current needs. In light of sizeable current requirements, there are some suggestions that investments in the future force should be deferred. In your opinion, what is the risk of deferring Army modernization?

Answer. The Army is modernizing for the first time in decades through its Future Combat Systems (FCS) program. Our Army must deploy quickly and transcontinently, fight upon arrival, and prevail even in chaotic urban settings. That's why the Army must continue to modernize now to build a more agile, versatile, mobile, lethal, and self-sustaining force that will move as fast as 21st century conflicts demand. The Cold War Army is too heavy and too slow for today's fights. In fiscal year 2008, the Army is requesting $3.7 billion for FCS modernization and $4.2 billion for aviation modernization. This is a significant amount of money; however, it represents 3.7 percent of the Army's total budget request of $213.5 billion. This figure includes a $83.4 billion supplemental to prosecute the GWOT.

Soldiers and units used to wait decades for new and more modern equipment, but not anymore. With FCS, the Army is fielding prototype modern capabilities today. Moreover, new capabilities are being "spun out" incrementally to Soldiers at least every two years. The risk of deferring Army modernization is reducing the protection of our Soldiers. Precursor FCS technologies already are saving Soldiers' lives in Iraq and Afghanistan. Examples are the PackBot, which is a forerunner of the FCS's small unmanned ground vehicle; and the micro air vehicle, which is the prototype for the Class I UAV. This system is being used by 4th Brigade 2d Infantry Division (Stryker) as they train up for their deployment to Iraq.

Question. General Pace, what added value does the Future Combat System bring to the warfighter in addressing likely future threats?

Answer. The Army is modernizing so that our Soldiers retain a decisive-technological advantage over America's enemies. The Army has not modernized comprehensively in decades. However, America's enemies are innovative and resourceful, and they are not standing still. Technology, meanwhile, is advancing and proliferating at a rapid pace. That's why the Army is now modernizing to protect the Soldiers. FCS is designed to protect Soldiers against improvised explosive devices (IEDs), which are causing more than half of all American fatalities in Iraq and Afghanistan. The FCS vehicles are being designed with a full suite of active and passive protection systems for full-scale, 360 degree protection. The current Army vehi-

cles will be upgraded with new FCS capabilities for enhanced troop and vehicular protection. When our Soldiers are in harm's way, we must do everything possible to equip and protect them. Further, in the past the military modernized large scale systems in the past—nuclear weapons, ships, aircraft carriers—that empowered commanders at higher echelons—divisions, corps and theaters. With FCS, the Army is modernizing precisely to empower the individual Soldier so that he or she will have more capabilities and greater protection for irregular, asymmetric warfare in the 21st century.

TRAINING

Question. General Pace, what are the risks associated with the focused emphasis that we currently have on training our troops for operations in the Global War on Terror? Aren't training activities for other possible contingencies suffering?

Answer. The primary risk associated with focusing our training on current operations is a degradation of our ability to perform all missions across the spectrum of conflict. If we need to quickly shift to a significantly different operational environment we would confront a new set of challenges (e.g., cold weather, tropical, major theater war). The Marine Corps and Army are the most challenged in training for the full spectrum of operations. This is evidenced by degradation in their readiness ratings, to include training ratings. In contrast the Navy and Air Force are less strained by current operations and have been able to effectively maintain readiness for contingencies across the entire spectrum. This is partially due to the fact that many of the tasks they perform in GWOT operations directly translate to skills required in a major theater war. While it is critical to remain focused on providing the best training for the current contingency, where possible, we are ensuring that we build strategic depth and train to maintain our readiness to respond to other critical operations.

ARMY MODERNIZATION

Question. General Pace, what are your primary concerns about Army's efforts to reconstitute and modernize?

Answer. My main concern is the Army's ability to do all that is asked of them within the resources allocated. The most significant challenge to accomplishing reconstitution and modernization for the Army is the receipt of timely, predictable, and adequate funding.

The funds Congress has provided have substantially addressed the $56 billion Army equipping shortfall that existed at the beginning of the Global War on Terror (GWOT). Today, only a $9 billion shortage remains from the original $56 billion "Holes in the Yard." Further, the availability of the $17.1 billion for Reset at the beginning of fiscal year 2007 allowed the Army to synchronize resources, people and materiel to align with the flow of equipment from returning units into the Reset process.

However, the Army is challenged to respond to the changed conditions of warfare, which dictate that they can no longer accept risk in how the Army equips its Reserve Component (RC) and support units of all components. An additional $43 billion is needed to bring all Army units to a consistent level of modernization, including all RC units to "Active Component-like" levels of modernization. Of the $43 billion required, $24 billion would be for the Army National Guard, $10 billion for the Army Reserve, and $9 billion for the Active Component.

The entire requirement of $52 billion—which includes the $9 billion remaining from the beginning of GWOT plus $42 billion to complete modernization—is in addition to the funds requested in the fiscal year 2007 supplemental, the fiscal year 2008 base and GWOT request, and the Future Years Defense Plan. Under the current program, the Army would not be able to address this shortfall. With an additional $10 billion per year for each year remaining in the program (fiscal year 2009 to fiscal year 2013), the Army would be able to "fill the holes."

F–22 RAPTOR

Question. General Pace, the F–22 Raptor program is currently funded to buy 183 fifth-generation fighters. Do you believe that this acquisition objective is adequate and will meet the future needs of the nation?

Answer. Air Force and independent analysis have substantiated that 381 is the minimum requirement to meet the National Military Strategy (NMS). The Office of the Secretary of Defense-led 2006 Quadrennial Review Joint Air Dominance study revealed two key points: first, the United States has a critical requirement to recapitalize tactical air forces; and two, with sufficient 5th generation fighters, especially the F–22, joint air forces win the first major combat operation (MCO) with

enough forces left to win the next MCO. Insufficient numbers of F–22s result in unacceptably high attrition using a legacy-heavy force and jeopardizes the follow-on win. Meeting the requirement of 381 F–22s means fewer mobility assets are required for smaller force packaging and lower combat attrition as well providing a sustainable operations tempo. Finally, 381 RAPTORS is the minimum essential number to meet NMS requirements with reasonable risk and provides a sustainable operations tempo.

INDIVIDUAL EQUIPMENT LOAD

Question. General Pace, in testimony provided earlier this year, the Commandant of the Marine Corps told this subcommittee that the equipment the Marines carry into combat weighs about 80 pounds. That places quite a load on each individual. Has the Department challenged industry to come up with equipment that is just as effective but would take the weight burden off each individual?

Answer. The Marine Corps continues to actively challenge industry to design equipment that can perform at least as effectively as today's gear, but with reduced weight and volume. The Marine Corps has also been working closely with the Army to present our common requirements to industry, to include a recently concluded annual Joint Industry Day sponsored by Army and Marine Corps program offices that was attended by over 400 industry representatives. Dialogue with our vendors and potential vendors continues to involve discussions about ways to decrease the burden on the individual Marine.

In addition to our links with industry, the Marine Corps is also involved with the science and technology communities and is funding research efforts designed to yield material solutions that can reduce the weight and volume of equipment being used today while also increasing performance. Inclusive in these studies are projects being sponsored under the DOD Small Business Innovative Research program, as well as Marine Corps funded projects through the Naval Research Labs and the Office of Naval Research.

Question. General Pace, because of the heavy load imposed by individual equipment on the troops, have you heard of any instances where soldiers or Marines are forgoing protection because the weight is too much to carry over a period of time?

Answer. There are currently no indications that individual Marines are forgoing protection due to the load they are carrying. The load carried by the individual Marine in combat is based upon the mission, the enemy threat, and the operating environment. The Marine Corps has fielded items that enhance our commanders' ability to scale loads to best suit the situation. The load carriage system, for example, can be configured with a full pack for extended operations or reduced to a small assault pack for more limited missions.

QUESTIONS SUBMITTED BY SENATOR ROBERT C. BYRD

Question. Secretary Gates, when a deadly tornado struck Kansas recently, the Kansas governor was hamstrung. The Governor rightly complained that the Kansas National Guard was forced to leave its emergency equipment in Iraq after a recent tour of duty. Equipment that used to be positioned throughout the state for responding to tornados and other crises was sitting thousands of miles away in Iraq. In the supplemental appropriations bill that the President just vetoed, Congress approved $1 billion for Guard and Reserve Equipment. Mr. Secretary—in light of the President's veto, what are you doing to make sure that Guard and Reserve units across this nation are getting the equipment they need here in America?

Answer. All 54 State's/Territory's aggregate Equipment on Hand (EOH) has increased from 40 percent in January 2007 to currently, an overall average of 49 percent (as of May 2007). During this same period, Kansas' EOH has increased from 43 percent to 52 percent.

Funding for National Guard equipment has increased over 500 percent since fiscal year 2001 ($1.2 billion in fiscal year 2001 to $7.4 billion requested in fiscal year 2008).

The Army's current plan is to budget $21.9 billion from fiscal year 2008–2013 (not including future Supplemental requests). This investment if sustained by the Army provides the Army National Guard (ARNG) with approximately 76 percent EOH as required in the Army's Modified Table of Organization & Equipment. The caveat to this funding is that it takes about two years from funding to procurement to have the equipment produced and delivered.

The Army continues to work through and complete equipment payback plans (Department of Defense Directive 1225.6) for equipment that the States lost either through Stay Behind Equipment, Destroyed equipment and modernization and reset

of equipment; is providing $1.76 billion of the $17.1 billion fiscal year 2007 supplemental for reset funding of equipment to the ARNG.

The latest Equipment in States Possession brief released by the Army National Guard in May 2007 shows Kansas' EOH has increased from 43 percent to 52 percent since the last brief dated January 2007. In addition, equipment programmed for delivery to Kansas since fiscal year 2006 through fiscal year 2008 is valued at over $52 million.

Question. General Pace, are there unfunded requirements from the services involving individual, unit and force protection equipment that might prove useful in Iraq? For example, in fiscal year 2007, the President requested only $1.8 billion for purchasing Mine Resistant and Ambush Protected vehicles. The supplemental appropriations bill that the President vetoed would have increased that amount by $1.2 billion to purchase an additional 2,000 vehicles. At what level, DOD or OMB, are the decisions made not to fund the requirements for this equipment?

Answer. The Joint Chiefs and I are committed to obtaining the best available force protection equipment for our Soldiers, Sailors, Airmen, and Marines in Iraq and Afghanistan. The MRAP vehicles have been particularly effective in protecting our personnel from the roadside IED threat and the Department amended the original fiscal year 2007 supplemental request to obtain an additional $500 million for MRAP than originally requested. As well, we are reprogramming currently available funds to accelerate and expand this important program.

Service Chiefs, Service Secretaries, the Secretary of Defense, and the Administration work diligently to provide Congress a budget that wisely invests the Nation's resources for National Security. Their decisions work to achieve a balanced investment in current and future requirements based on combatant commander priorities. Nevertheless, as the threat facing our warfighters changes, we doggedly pursue new technologies and platforms that will protect our personnel and defeat the enemy. We will continue to work closely with the Congress to articulate our needs and stress emergent areas that require additional investment.

SALE OF SHADOW UNMANNED AERIAL VEHICLES (UAVS) TO POLAND

Question. General Pace, we have heard from several commanders that as a result of the war in Iraq, many units are not able to participate in combined forces training while in the United States. This suggests that there is inadequate equipment available to participate in another conflict involving U.S. national security interests, should one arise. What is the impact of the war in Iraq on the availability of equipment and personnel to defend the United States should another conflict arise or should it be necessary to utilize the military for homeland defense?

Answer. [Deleted.]

Question. General Pace, what is the total value of equipment lost, decommissioned, and left behind in Iraq? Further, what do you estimate that the cost of redeployment from Iraq will be?

Answer. The Army does not use the terms "lost," "decommissioned," and "left behind" to account for equipment. The Army accounts for all equipment lost through battle damage or negligence with a Financial Liability Investigation of Property Loss (FLIPL). For the period January 6 to May 7, $195.4 million in equipment has been accounted for under FLIPL. This number also includes $12.9 million of property Multi-National Force-Iraq has transferred to the Government of Iraq. To redeploy 160,000 troops from Iraq back to the CONUS would cost approximately $114 million.[1] To redeploy the equipment listed in the Modified Table of Organizational Equipment (MTOE) for 20 Heavy Brigade Combat Teams (BCTs) (18 Army and 2 Marine Corps equivalents) to the CONUS is approximately $105 million.[1] (The actual combat force on the ground in Iraq is a mixture of heavy, medium, and light units; the Heavy Brigade Combat Team equivalent is used as a planning factor.) These costs do not include MTOE equipment for Army units above the BCT level (including aviation, logistics, and support forces), additional equipment acquired by Army and Marine combat units beyond the MTOE, or Air Force and Navy equipment. Due to the dynamic nature of troop and equipment levels in Iraq, it is difficult to accurately determine the cost of a future redeployment from Iraq. In addition to specific numbers of troops and equipment, an accurate estimate must take into account any contractor-operated, government furnished equipment, amount of equipment transferred to the Government of Iraq (either through foreign military sales or donation), and unserviceable equipment that would be disposed of. Finally, any estimate would have to make assumptions about the final destination of troops and

[1] Planning factors used are $0.10 per seat mile for passengers and $70,000 per day for roll-on/roll-off ships for equipment.

equipment; whether back to the United States, in-theater, or some other location. With these caveats, it is possible to provide the rough estimates given above based on assumptions about current force levels, and assuming 100 percent efficient utilization of transport.

Question. General Pace, experts have observed the strain of supporting the ongoing operations in Iraq and Afghanistan by U.S. based active duty, Reserve and National Guard units. Can you speak to the impact that supporting operations in Iraq and Afghanistan has had on active duty forces stationed at overseas locations? Have these units received all the training and new equipment they were scheduled to receive? Have any of their assignments, rotations or tours of duty been extended or changed as a result of the operations in Iraq and Afghanistan?

Answer. Forces stationed outside OCONUS share the same force management challenges as units based within the CONUS. Units are sourced globally for Iraq and Afghanistan deployments so the deployment burden is equitably shared across the force. Services prioritize the training and equipping of deploying units and accept some degradation in recently returned units as part of the deployment cycle. Prioritizing resources in this fashion ensures deploying units are at high-readiness levels. This prioritizing of resources is applied to both CONUS-based units and OCONUS-based forces selected to deploy.

Equitable burden sharing also applies to tour lengths and dwell time policies. No force, whether based domestically or overseas, is deployed without meeting specific training requirements for their assigned mission/operation as directed by the Service provider. Deployment extensions in support of wartime operations can and do affect both CONUS-based and OCONUS-based forces. Furthermore, the dwell policies governing them are the same. In support of the recent increase in forces in Iraq, both CONUS-based and OCONUS-based forces have experienced deployment extensions.

QUESTION SUBMITTED BY SENATOR RICHARD J. DURBIN

Question. How is pre-deployment training accomplished for National Guard units who lack the equipment that they will be operating with once they arrive in Iraq?

Answer. As we continue fighting the War on Terrorism, the Active Component, National Guard and Reserve are all facing some equipment challenges. We have made the commitment that no unit, Active, Guard, or Reserve will deploy into actual mission areas in Iraq and Afghanistan without prior training (and sourcing) on equipment either in the continental United States or in-theater.

Specific to the National Guard, each State/unit develop their training cycle on three criterias; the time available, equipment availability, and training areas/ranges available. The States/units also provide a "list of needs and shortages," which is programmed before deployment. If required equipment is not available during either the pre- or post-mob training cycle in the United States, it is planned and sourced in-theater prior to onward movement in the area of operations.

SUBCOMMITTEE RECESS

Senator FEINSTEIN. The subcommittee stands in recess until May 16, when we will receive testimony from outside witnesses. Thank you all very much.

[Whereupon, at 12:04 p.m., Wednesday, May 9, the subcommittee was recessed, to reconvene at 10 a.m., May 16.]