

**DEPARTMENT OF DEFENSE APPROPRIATIONS
FOR FISCAL YEAR 2009**

WEDNESDAY, FEBRUARY 27, 2008

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

The subcommittee met at 10:25 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Daniel K. Inouye (chairman) presiding.

Present: Senators Inouye, Leahy, Dorgan, Mikulski, Murray, Stevens, Cochran, Domenici, and Shelby.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

OFFICE OF THE SECRETARY

STATEMENT OF HON. PETE GEREN, SECRETARY

**ACCOMPANIED BY GENERAL GEORGE W. CASEY, JR., CHIEF OF STAFF,
DEPARTMENT OF THE ARMY**

STATEMENT OF SENATOR DANIEL K. INOUE

Senator INOUE. This morning, we welcome the Honorable Pete Geren, Secretary of the Army, along with General George Casey, the Army Chief of Staff. Gentlemen, thank you for being with us here today as the subcommittee reviews the Army's budget requests for fiscal year 2009.

The Army's fiscal year 2009 budget request is \$140.7 billion, an increase of \$12.3 billion over the last year's inactive budget, excluding \$48.7 billion appropriated through the Army in the fiscal year 2008 bridge supplemental. Additionally, the pending fiscal year 2008 supplemental budget request includes \$66.5 billion for the Army, and the subcommittee expects to receive a fiscal year 2009 supplemental request in the near term.

As we review these budget requests, we are mindful of the fact that upward of 250,000 soldiers are deployed in nearly 80 countries. And the Army remains highly engaged in the global war on terror (GWOT). There is no question of the continuous hard pace of current operations has taken a toll on both Army personnel and equipment.

Yet, as we address current, urgent needs, we cannot lose sight of the future. It is imperative that we prepare for the diverse warfighting demands of the 21st century. It is critical that we

strike the right balance among the sometimes competing priorities, and we must do this with the Army's most powerful weapon in mind, our soldiers and their families.

The challenge is not easy, and we are faced with many difficult decisions as we address the current demands, while continuing to prepare the Army for the future. The Army has embarked on the path toward addressing the challenge in various ways, for instance, by rapidly increasing the end strength by investing in new weapons and technologies and by repositioning its forces around the world.

The Army's fiscal year 2009 budget request is designed to strike a sensible balance among these priorities. Yet there are questions that should not be ignored for the sake of urgency. For instance, the Army proposes to accelerate its growth, the force initiative which began last year, and to complete it 2 years earlier than initially planned. But are we able to achieve this goal without sacrificing the quality of our recruits?

Additionally, several high-priced modernization programs to include the future combat system and the Army reconnaissance helicopter have been beset by repeated cost overruns, schedule delays, and program restructures. Are we trying to do too much too fast? Do we have the right personnel to manage and oversee these complex modernization programs? What is the Army doing to address these acquisition challenges? And finally, are we confident that the goal of repositioning of forces appropriately addresses our current and future needs?

It is the subcommittee's hope that today's hearing will help answer some of these questions and eliminate how the Army's fiscal year 2009 budget request addresses these challenges in a responsible manner.

And so, gentlemen, we sincerely appreciate your service to our Nation, and the dedication and sacrifices made daily by the men and women in our Army. We could not be more grateful for what those who wear our uniform do for our country each and every day. Your full statements will be included in the record.

And now, I wish to turn to my illustrious co-chairman, Senator Stevens, for his opening statement.

STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Mr. Chairman, and welcome, Secretary Geren. I'm pleased to see you back before the subcommittee again. General Casey, again, thank you. And thank you, publicly, for coming to Alaska to appear before the Military Appreciation Day at the dinner that night, sponsored by the Armed Forces YMCA.

And this is your first appearance before this subcommittee as Chief of Staff, and we look forward to the hearings we're going to have. I commend you for your service in the past, and look forward to working with you in the future. You are both here to discuss the 2009 budget request. The chairman's outlined that. I don't need to repeat what he has said. We have total agreement with regard to this budget.

I do think, however, that we should take into account some of the comments being made by the Secretary of Defense about really the lack of funding of the Army to prepare for the wars that we've en-

tered into, and look to the future to make certain that we're not going to have a similar situation where we might have another engagement where we were not prepared or trained for.

So we look forward to your testimony, and welcome you to the subcommittee. Thank you very much.

Senator INOUE. Thank you very much.

Before you begin Mr. Secretary, Senators Cochran and Hutchison have submitted statements that they would like included in the record.

[The statements follow:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join you in welcoming the Secretary Geren and General Casey this morning.

While we are here today to discuss the Army's fiscal year 2009 base budget request for \$140 billion, we should also hear from Secretary Geren and General Casey about supplemental appropriations funding. In your posture statement that you provided the subcommittee today, you note you have relied on supplemental funding for increasing proportions of your budget and are in a situation today where "the Army's base budget does not fully cover the cost of both current and future readiness requirements." You go on to say "some base programs would be at risk if supplemental funding is precipitously reduced or delayed." I look forward to hearing more about this and how next year's budget will reverse this trend and restore what you call "fiscal balance" to your budget.

This has been a year of many challenges and successes for our Armed Forces and the Army remains on the front lines protecting the United States in the Global War on Terrorism. Our All-Volunteer forces and their families have performed remarkably and our Nation owes them a debt of gratitude for their sacrifices.

Secretary Geren, General Casey, thank you for your service, and I look forward to your testimony.

PREPARED STATEMENT OF SENATOR KAY BAILEY HUTCHISON

Secretary Geren, General Casey, thank you both so much for coming today, but most importantly for what you do for our country and the soldiers of the world's finest Army.

The State of Texas is proud of its defense industrial base which does so much for national defense programs of record and for rapid acquisition and rapid fielding of equipment needed for the warfighter in theater.

To maintain such an industrial complex, to assure a sound budget, and to make certain our nation's soldiers are receiving what they need when they need it, a strong and trusted relationship with the Acquisition Secretary of each of our Defense Department's Services is required.

Of note, my relationship with the current Acting Army Acquisition Executive, Mr. Dean G. Popps, has been an exceptional one and one which involves mutual cooperation, responsiveness, and respect for our nation's common goal of winning this war and seeing our troops come home victoriously.

I would like to take this opportunity to commend Mr. Popps and his staff, and commend the Army for positioning him as the service's Assistant Secretary for Acquisition. I could think of no better leader with the resident knowledge to fulfill this most demanding position as we begin to debate the fiscal year 2009 defense budget. I very much look forward to the continued relationship between his office and ours for the remaining months of this administration.

Thank you, Mr. Chairman.

Senator INOUE. Secretary Geren.

Mr. GEREN. Thank you, Mr. Chairman, Senator Stevens, and Senator Shelby. It's a privilege to come before your subcommittee, and we've provided the subcommittee ahead of time the full posture statement. And I'd like to just summarize some of my comments.

It's certainly an honor for General Casey and I to appear before you to discuss our United States Army. An Army that's built on a

partnership between soldiers and this Congress, and it's a partnership that's older than this country.

The President's budget for 2009 is before the Congress, nearly \$141 billion for the Army. And as always is the case, the Army's budget is mostly about people, and operations and maintenance (O&M) to support our people. Our personnel and our O&M budget make up two-thirds of the entire Army budget. As General Abrams reminded us often, "People are not in the Army. People are the Army."

And our budget reflects that reality. Today, we are an Army long at war. In our seventh year at war in Afghanistan, and next month we will be 5 years in Iraq. It's the third-longest war in American history, behind the Revolutionary War and the Vietnam war, and it's the longest war we have fought with an all-volunteer force.

Our Army is stretched by the demands of this long war, but it remains an extraordinary Army. It's the best-led, best-trained, best-equipped Army we've ever put in the field, with Army families standing with their soldiers as they serve and as they re-enlist. And it's an Army of all volunteers—volunteer soldiers and volunteer families. We currently have 250,000 soldiers deployed to 80 countries around the world, and over 140,000 deployed to Iraq and Afghanistan. Our 140,000 soldiers in harm's way are our top priority, and we will never take our eye off of that ball. This budget and the supplementals ensure that our soldiers have what they need, and they have it when they need it.

And today, and over the last 6 years, our reserve component—the Guard and Reserves—they've continued to shoulder a heavy load for our Nation. Since 9/11, we've activated 184,000 reservists and 268,000 guardsmen in support of the GWOT, and they've answered the call here at home whether it was for Hurricanes Katrina or Rita, brush fires, forest fires, or support along our borders.

And we truly are one army. The active component cannot go to war without the National Guard and Reserves. The challenge before us, and the challenge that's addressed in this budget, is to continue the transformation of the reserve component to an operational reserve. Match the organizing, training, and equipping with the reality of the role of today's Guard and Reserves. And this budget continues the steady investment in new equipment for the reserve component.

Over the next 24 months, prior years of investment will bear fruit. Over \$17 billion of new equipment, over 400,000 pieces of new equipment will flow into the Guard. And this budget includes \$5.6 billion for Guard equipment and \$1.4 billion for Reserve equipment.

And the strength of our Army, active Guard and Reserves, comes from the strength of Army families. Our Army families are standing with their soldier loved ones, but this long war is taking a toll. We owe our Army families a quality of life equal to their service. Over one-half of our soldiers today are married, with over 700,000 children in Army families. Nearly one-half of all soldiers who deploy, deploy with children 2 years of age or younger.

And when a married soldier deploys, he or she leaves behind a single-parent household and all the challenges associated with that

family dynamic. And when a single parent deploys, he or she leaves a child behind in the care of others.

In the 2009 budget, we are doubling funding for family programs. We're adding 26 new child development centers to the 35 that Congress appropriated for us last year. And over the past year, with your strong support, we have expanded the availability and we've reduced the cost of childcare for our Army families.

We've asked much of our volunteer spouses who've carried the burden of family support programs, a burden that grows heavier with each successive deployment, and they need help. Our 2008 budget and this 2009 budget provide much-needed support for those spouses. We are hiring over 1,000 family readiness support system assistants, and nearly 500 additional Army community service staff to provide full-time support to our spouse volunteers and Army families.

And to meet the needs of geographically displaced families, a great challenge with the Guard and Reserves, we are fielding an Internet portal to bring together the Army programs, other Government programs, and public and private family support programs together in one site.

In the 1990s Congress launched the privatized housing initiative for our military, an initiative that has replaced Army housing with Army homes, and it's an initiative that's created livable communities and vibrant neighborhoods on our posts. This budget builds on the great success of your initiative. Our budget for Army homes, new and refurbished in 2009, is \$1.4 billion.

This budget continues the programs and the progress the Army has made in meeting the needs of wounded, ill, and injured soldiers. Last year, Congress gave us resources to hire needed medical personnel to provide better healthcare for our wounded warriors and meet the needs of family members who are supporting their loved ones. We stood up 35 warrior transition units to serve our wounded, ill, and injured soldiers, with each soldier supported by a triad of care.

This budget continues to advance those initiatives, continues to address personnel shortages, improve facilities, and work to accomplish the seamless transition from the Department of Defense to the Veterans Affairs for our soldiers returning to private life. And we will continue to grow our knowledge and improve the care and treatment of the invisible wounds of this war, traumatic brain injury and post-traumatic stress disorder (PTSD), and better meet the needs of soldiers who suffer these wounds and better support their families.

The generous support of Congress last year has provided us resources to make great progress on this front.

In this budget, we look to the future. We never wanted to send our soldiers into a fair fight. This budget continues our investment in the programs of tomorrow, our highest modernization priority, future combat systems, which not only will shape the future of our Army, but extending out technologies today into today's fight.

The armed reconnaissance helicopter, unmanned aerial vehicles (UAVs), the light utility helicopter, and the joint cargo aircraft are part of that future, and we thank you for your past support of those programs.

We want to be able to say 10 years from now what we say today, “We’re the best-equipped Army in the world.” And this budget makes a major step forward ensuring the long-term strength and help for our Army by moving the cost of 43,000 active-duty soldiers from supplemental funding to the base at the cost of \$15 billion.

And we’ve accelerated the 65,000 growth and active duty Army from 2012 to 2010, with a commitment that we’ll maintain recruit quality at least at the 2006 levels. We are a Nation long at war, facing an era of persistent conflict. Our soldiers and families are stretched. We are an Army out of balance, and we are consuming readiness as fast as we build it.

But our Army remains strong—stretched, out of balance—but strong. And those who seek parallels with the hollow Army of the late 1970s will not find it. Our Army is stretched, but we have young men and women ready to do our Nation’s work around the world and here at home.

Every year, 170,000 young men and women join the United States Army, a number that equals the size of the entire United States Marine Corps. And every year, 120,000 soldiers proudly re-enlist. They’re volunteer soldiers, and they’re volunteer families, and they’re proud of what they do, and they’re proud of who they are.

Mr. Chairman, and members of this subcommittee, thank you for your support of our soldiers and their families, and for the resources and the support you provide every year.

I also want to thank you individually for your travels across this country and around the world to meet with our soldiers. To meet with them in the hospital, in their garrisons, and on the frontlines. It means a great deal to them, and thank you for doing that. And thank you for your support, and thank you for building this United States Army, Mr. Chairman.

Senator INOUE. I thank you very much, Mr. Secretary.

[The statement follows:]

PREPARED STATEMENT OF THE HONORABLE PETE GEREN AND GENERAL GEORGE W. CASEY, JR.

THE ARMY FAMILY COVENANT

We recognize:

- The commitment and increasing sacrifices that our Families are making every day.
- The strength of our Soldiers comes from the strength of their Families.

We are committed to:

- Providing Soldiers and Families a Quality of Life that is commensurate with their service.
- Providing our Families a strong, supportive environment where they can thrive.
- Building a partnership with Army Families that enhances their strength and resilience.

We are committed to Improving Family Readiness by:

- Standardizing and funding existing Family programs and services.
- Increasing accessibility and quality of health care.
- Improving Soldier and Family housing.
- Ensuring excellence in schools, youth services and child care.
- Expanding education and employment opportunities for Family members.

FEBRUARY 26, 2008.

Our Nation has been at war for over six years. Our Army—Active, Guard and Reserve—has been a leader in this war and has been fully engaged in Iraq, Afghanistan, and defending the homeland. We also have provided support, most notably by the Army National Guard and Army Reserve, to civil authorities during domestic emergencies. Today, of the Nation's nearly one million Soldiers, almost 600,000 are serving on active duty and over 250,000 are deployed to nearly 80 countries worldwide.

We live in a world where global terrorism and extremist ideologies threaten our safety and our freedom. As we look to the future, we believe the coming decades are likely to be ones of persistent conflict—protracted confrontation among state, non-state, and individual actors who use violence to achieve their political and ideological ends. In this era of persistent conflict, the Army will continue to have a central role in implementing our national security strategy.

While the Army remains the best led, best trained, and best equipped Army in the world, it is out of balance. The combined effects of an operational tempo that provides insufficient recovery time for personnel, Families, and equipment, a focus on training for counterinsurgency operations to the exclusion of other capabilities, and Reserve Components assigned missions for which they were not originally intended nor adequately resourced, result in our readiness being consumed as fast as we can build it. Therefore, our top priority over the next several years is to restore balance through four imperatives: Sustain, Prepare, Reset, and Transform.

The Army's strength is its Soldiers—and the Families and Army Civilians who support them. The quality of life we provide our Soldiers and their Families must be commensurate with their quality of service. We will ensure that our injured and wounded Warriors, and their Families, receive the care and support they need to reintegrate effectively into the Army or back into society. We never will forget our moral obligation to the Families who have lost a Soldier in service to our Nation.

We are grateful for the support and resources we have received from the Secretary of Defense, the President, and Congress. To fight the wars in Afghanistan and Iraq, transform to meet the evolving challenges of the 21st century, and to regain our balance by 2011, the Army will require the full level of support requested in this year's base budget and Global War on Terror (GWOT) Request.

GEORGE W. CASEY, JR.,
General, United States Army, Chief of Staff.
PETE GEREN,
Secretary of the Army.

“The U.S. Army today is a battle-hardened force whose volunteer Soldiers have performed with courage, resourcefulness, and resilience in the most grueling conditions. They've done so under the unforgiving glare of the 24-hour news cycle that leaves little room for error, serving in an institution largely organized, trained, and equipped in a different era for a different kind of conflict. And they've done all this with a country, a government—and in some cases a defense department—that has not been placed on a war footing.”
Secretary of Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Meeting

The Army—Active, Guard and Reserve—exists to protect our Nation from our enemies, defend our vital national interests and provide support to civil authorities in response to domestic emergencies. Our mission is to provide ready forces and land force capabilities to the Combatant Commanders in support of the National Security Strategy, the National Defense Strategy, and the National Military Strategy.

While “what” the Army does for the Nation is enduring, “how” we do it must adapt to meet the changing world security environment. We are in an era of persistent conflict which, when combined with our on-going global engagements, requires us to rebalance our capabilities. We do this remembering that Soldiers, and the Families who support them, are the strength and centerpiece of the Army. And, while our Nation has many strengths, in time of war, America's Army is The Strength of the Nation.

STRATEGIC CONTEXT

An Era of Persistent Conflict

Persistent conflict and change characterize the strategic environment. We have looked at the future and expect a future of protracted confrontation among state, non-state, and individual actors who will use violence to achieve political, religious, and other ideological ends. We will confront highly adaptive and intelligent adversaries who will exploit technology, information, and cultural differences to threaten U.S. interests. Operations in the future will be executed in complex environments and will range from peace engagement, to counterinsurgency, to major combat operations. This era of persistent conflict will result in high demand for Army forces and capabilities.

Trends Creating the Conditions for Persistent Conflict

The potential for cascading effects from combinations of events or crises arising from the trends described below compounds the risk and implications for the United States.

Globalization and Technology

Increased global connectivity and technological advances will continue to drive global prosperity—yet they also will underscore disparities, such as in standards of living, and provide the means to export terror and extremism around the world. Globalization accelerates the redistribution of wealth, prosperity, and power, expanding the “have” and “have not” conditions that can foster conflict. The scale of this problem is evident in the projection that 2.8 billion people are expected to be living below the poverty line by 2025. While advances in technology are benefiting people all over the world, extremists are exploiting that same technology to manipulate perceptions, export terror, and recruit the people who feel disenfranchised or threatened by its effects.

Radicalism

Extremist ideologies and separatist movements will continue to have an anti-western and anti-U.S. orientation. Radical and religious extremist groups, separatists, and organizations that support them are attractive to those who feel victimized or threatened by the cultural and economic impacts of globalization. The threats posed by Sunni Salafist extremists, like Al-Qaeda, as well as Shia extremists with Iranian backing, represent a major strategic challenge.

Population Growth

The likelihood of instability will increase as populations of several less-developed countries will almost double in size by 2020—most notably in Africa, the Middle East, and South and Southeast Asia. The “youth bulge” created by this growth will be vulnerable to antigovernment and radical ideologies and will threaten government stability. This situation will be especially true in urban areas in which populations have more than doubled over the last 50 years.

By 2025, urban areas with concentrations of poverty will contain almost 60 percent of the world’s population.

Resource Competition

Competition for water, energy, goods, services, and food to meet the needs of growing populations will increase the potential for conflict. Demand for water is projected to double every 20 years. By 2015, 40 percent of the world’s population will live in “water-stressed” countries. By 2025, global energy demands are expected to increase by 40 percent, threatening supplies to poor and developing nations.

Climate Change and Natural Disasters

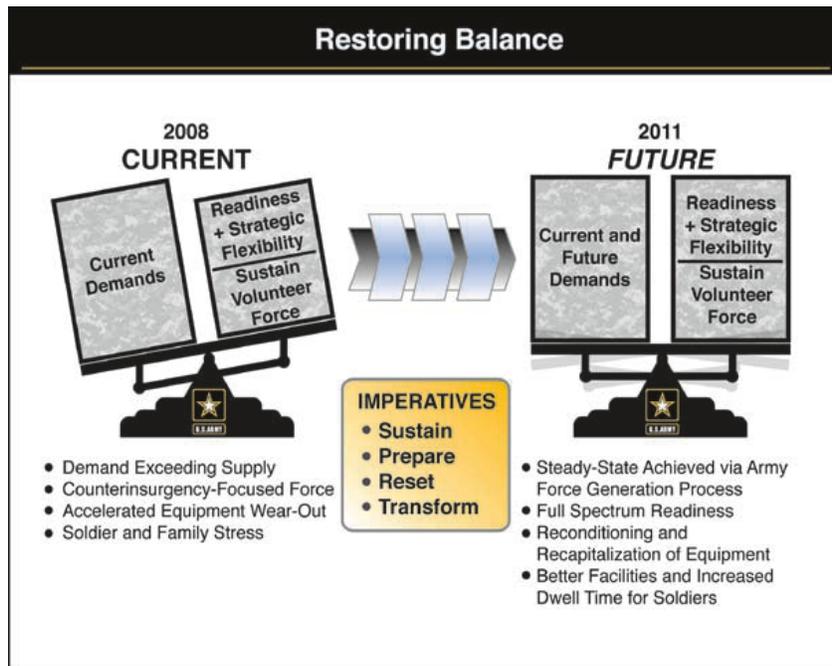
Climate change and other projected trends will compound already difficult conditions in many developing countries. These trends will increase the likelihood of humanitarian crises, the potential for epidemic diseases, and regionally destabilizing population migrations. Desertification is occurring at nearly 50,000–70,000 square miles per year. Today more than 15 million people are dying annually from communicable diseases. The number of people dying each year could grow exponentially with increases in population density and natural disasters.

Proliferation of Weapons of Mass Destruction

The diffusion and increasing availability of technology increases the potential of catastrophic nuclear, biological, and chemical attacks. Many of the more than 1,100 terrorist groups and organizations are actively seeking weapons of mass destruction.

Safe Havens

States that are unable or unwilling to exercise control within their borders create the potential for global and regional groups to organize and export terror. Territories under the control of renegade elements or separatist factions will challenge central government authority, potentially creating a base from which to launch broader security threats. The trends that fuel persistent conflict characterize the strategic environment now and into the future and will require integration of all elements of our national power (diplomatic, informational, economic, and military) to achieve our national objectives. The implication for the Army is the need to be modernized, expeditionary and campaign capable, and prepared to operate across the full spectrum of conflict.



Challenges of Providing Forces with the Right Capabilities

The Army recruits, organizes, trains, and equips Soldiers who operate as members of Joint, interagency, and multi-national teams. The Army also provides logistics and other support to enable our Joint and interagency partners to accomplish their missions, as well as support civil authorities in times of national emergencies. Responding to the strategic environment and the national security strategy that flows from it, we are building an expeditionary and campaign quality Army. Our expeditionary Army is capable of deploying rapidly into any operational environment, conducting operations with modular forces anywhere in the world, and sustaining operations as long as necessary to accomplish the mission. To fulfill the requirements of today's missions, including the defense of the homeland and support to civil authorities, approximately 591,000 Soldiers are on active duty (currently 518,000 Active Component, 52,000 Army National Guard, and 21,000 Army Reserve). Forty-two percent (251,000) of our Soldiers are deployed or forward-stationed in 80 countries around the world. Additionally, more than 237,000 Army Civilians are performing a variety of missions vital to America's national defense. Of these, more than 4,500 are forward deployed in support of our Soldiers.

Our current focus is on preparing forces and building readiness for counterinsurgency operations in Iraq and Afghanistan. Despite this current and critical mission, the Army also must be ready to provide the Combatant Commanders with the forces and capabilities they need for operations anywhere around the world, ranging from peace-time military engagement to major combat operations.

Examples of Army capabilities and recent or ongoing operations other than combat include the following:

- Supporting the defense of South Korea, Japan, and many other friends, allies, and partners.
- Conducting peacekeeping operations in the Sinai Peninsula and the Balkans.
- Conducting multi-national exercises that reflect our longstanding commitments to alliances.
- Continuing engagements with foreign militaries to build partnerships and preserve coalitions by training and advising their military forces.
- Participating, most notably by the Army National Guard, in securing our borders and conducting operations to counter the flow of illegal drugs.
- Supporting civil authorities in responding to domestic emergencies, including natural disasters and threats at home and abroad.
- Supporting interagency and multi-national partnerships with technical expertise, providing critical support after natural disasters, and promoting regional stability.
- Supporting operations to protect against weapons of mass destruction and block their proliferation.

It is vital that our Army ensures that units and Soldiers have the right capabilities to accomplish the wide variety of operations that we will conduct in the 21st century. Continuous modernization is the key to enhancing our capabilities and maintaining a technological advantage over any enemy we face. We never want to send our Soldiers into a fair fight.

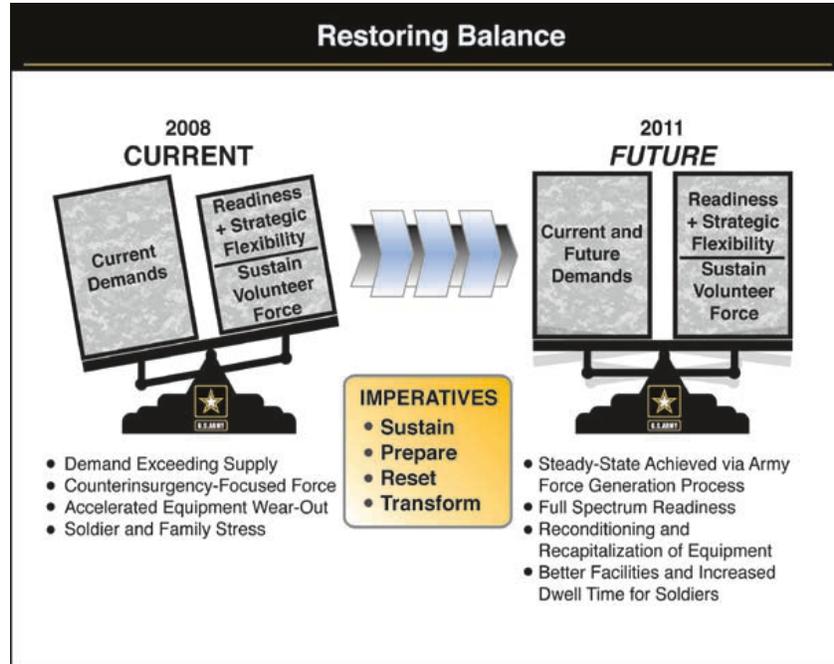
Future Combat Systems (FCS) are the core of our modernization effort and will provide our Soldiers an unparalleled understanding of their operational environment, increased precision and lethality, and enhanced survivability. These improved capabilities cannot be achieved by upgrading current vehicles and systems. FCS will use a combination of new manned and unmanned air and ground vehicles, connected by robust networks, to allow Soldiers to operate more effectively in the complex threat environments of the 21st century. Maintaining our technological edge over potential adversaries, providing better protection, and giving our Soldiers significantly improved capabilities to accomplish their mission are the reasons for FCS. FCS capabilities currently are being tested at Fort Bliss, Texas. They are proving themselves valuable in the current fight and are being fielded to our Soldiers in Iraq. FCS and their capabilities will continue to be integrated into the force over the next 20 years.

TWO CRITICAL CHALLENGES: RESTORING BALANCE AND FUNDING

An Army Out of Balance

Today's Army is out of balance. The current demand for our forces in Iraq and Afghanistan exceeds the sustainable supply and limits our ability to provide ready forces for other contingencies. While our Reserve Components (RC) are performing magnificently, many RC units have found themselves assigned missions for which they were not originally intended nor adequately resourced. Current operational requirements for forces and insufficient time between deployments require a focus on counterinsurgency training and equipping to the detriment of preparedness for the full range of military missions.

We are unable to provide a sustainable tempo of deployments for our Soldiers and Families. Soldiers, Families, support systems, and equipment are stretched and stressed by the demands of lengthy and repeated deployments, with insufficient recovery time. Equipment used repeatedly in harsh environments is wearing out more rapidly than programmed. Army support systems, designed for the pre-9/11 peacetime Army, are straining under the accumulation of stress from six years at war. Overall, our readiness is being consumed as fast as we build it. If unaddressed, this lack of balance poses a significant risk to the All-Volunteer Force and degrades the Army's ability to make a timely response to other contingencies.



Restoring Balance

We are committed to restoring balance to preserve our All-Volunteer Force, restore necessary depth and breadth to Army capabilities, and build essential capacity for the future. Our plan will mitigate near-term risk and restore balance by 2011 through four imperatives: Sustain, Prepare, Reset and Transform.

Sustain

To sustain our Soldiers, Families, and Army Civilians in an era of persistent conflict we must maintain the quality and viability of the All-Volunteer Force and the many capabilities it provides to the Nation. Sustain ensures our Soldiers and their Families have the quality of life they deserve and that we recruit and sustain a high quality force.

Goals for Sustain:

- Offer dynamic incentives that attract quality recruits to meet our recruiting objectives for 2008 and beyond.
- Provide improved quality of life and enhanced incentives to meet our retention objectives for 2008 and beyond.
- Continue to improve the quality of life for Army Families by implementing the Army Family Covenant and other programs that: standardize services, increase the accessibility and quality of health care, improve housing and installation facilities, provide excellence in schools and youth services, and expand spousal education and employment opportunities.
- Continue to improve care for Wounded Warriors and Warriors in Transition through a patient-centered health care system, Soldier and Family Assistance Centers, and improved Warrior Transition Unit facilities.
- Continue to support Families of our fallen with sustained assistance that honors the service of their Soldiers.

Prepare

To prepare our Soldiers, units, and equipment we must maintain a high level of readiness for the current operational environments, especially in Iraq and Afghanistan.

Goals for Prepare:

- Continue to adapt and enhance the rigor of institutional, individual, and operational training to enable Soldiers to succeed in complex 21st century security environments.
- Train Soldiers and units to conduct full spectrum operations with improved training ranges to operate as part of a Joint, interagency, or multinational force.
- Provide Soldiers the best equipment through the Rapid Fielding Initiative, the Rapid Equipping Force, and modernization efforts.
- Partner with private industry to rapidly develop and field equipment needed on today's battlefield.
- Continue to improve the Army Force Generation (ARFORGEN) process which increases the readiness of the operating force over time by generating recurring periods of availability of trained, ready, and cohesive units.

Reset

To reset our force we must prepare our Soldiers, units, and equipment for future deployments and other contingencies.

Goals for Reset:

- Develop an Army-wide reset program that repairs, replaces, and recapitalizes equipment that our Soldiers need.
- Retrain our Soldiers to accomplish the full spectrum of missions they will be expected to accomplish.
- Revitalize our Soldiers and Families through implementation and full resourcing of the Soldier Family Action Plan (SFAP) and our warrior care and transition programs.

Transform

To transform our force, we must continuously improve our ability to meet the needs of the Combatant Commanders in a changing security environment.

Goals for Transform:

- Help balance our force and increase capacity to provide sufficient forces for the full range and duration of current operations and future contingencies by growing as quickly as possible.
- Upgrade and modernize to remain an agile and globally responsive force with Future Combat Systems (FCS) as the core of our modernization effort.
- Continue organizational change through modularity and rebalancing to become more deployable, tailorable, and versatile.
- Improve expeditionary contracting and financial and management controls.
- Continue to adapt institutions and the processes, policies, and procedures, including business practices, to more effectively and efficiently support an expeditionary Army at war.
- Complete the transition of the RC to an operational reserve and change the way we train, equip, resource, and mobilize RC units.
- Integrate Grow the Army initiative, Base Realignment and Closure (BRAC), Global Defense Posture Realignment, and the operation of installations and facilities to increase readiness, improve efficiency, and improve the quality of life for our Soldiers, Families, and Army Civilians.
- Develop agile and adaptive leaders who can operate effectively in Joint, interagency, intergovernmental, and multi-national environments.

Compelling Needs for Sustain, Prepare, Reset, and Transform

To achieve balance through the four imperatives, the Army will require sustained, timely, and predictable base budget and GWOT funding. The Army's compelling needs for fiscal year 2009 are:

Support and Fund:

- Recruiting and retention incentives and benefits to enable Active and Reserve Components to meet end-strength objectives and achieve Army standards for recruit quality.
- Quality of life programs to sustain our Soldiers and Army Civilians commitment to serve and the continued support of our Army Families.
- Programs to help our wounded, ill, and injured Warriors in Transition to return to duty or to civilian life.
- BRAC and military construction to execute the Army's global repositioning plan.
- Operations and maintenance for air and ground operations, depot maintenance, base operations, and space and missile defense capabilities.
- Leader training and development to make Soldiers culturally astute and better able to integrate and complement the other elements of national power (diplomatic, informational, and economic).
- Efforts to develop technical and procedural solutions to defeat the threat of improvised explosive devices.

- The Rapid Equipping Force (REF).
- Equipment repair, replacement, and recapitalization programs.
- Retraining Soldiers to execute their new and future missions.
- Programs to revitalize our Soldiers and Families as they reintegrate after deployments.
- End-strength growth of approximately 74,000 by 2010.
- Army modernization programs including Future Combat Systems, aviation, Patriot PAC-3, LandWarNet, intelligence, logistics automation, and other advanced technologies.
- Planned modular transformations in 2009—two Brigade Combat Teams and 13 support brigades.
- Transformation of the Reserve Components to an operational reserve.

“America’s ground forces have borne the brunt of underfunding in the past and the bulk of the costs—both human and material—of the wars of the present. By one count, investment in Army equipment and other essentials was underfunded by more than \$50 billion before we invaded Iraq. By another estimate, the Army’s share of total defense investments between 1990 and 2005 was about 15 percent. So resources are needed not only to recoup from the losses of war, but to make up for the shortfalls of the past and to invest in the capabilities of the future.”——Secretary of the Defense, Honorable Robert M. Gates, October 10, 2007, AUSA Meeting

Funding Challenges

Recruiting and retaining the most combat-experienced Army in our Nation’s history require predictable and sustained funding. Sustaining this high-quality and professional All-Volunteer Force will not be possible without investing in and supporting our quality of life efforts and providing competitive pay and benefits. As a manpower-intensive organization, we will continue to spend the bulk of our funds to sustain people and maintain vital infrastructure, but we also must maintain investment in equipment and technology required for future readiness.

To support our Soldiers, the centerpiece of the Army, we must rebuild and recapitalize our equipment including vehicles and weapons systems, maintain readiness for current operational demands, and build readiness for future challenges. It takes years beyond the end of hostilities to complete rebuilding and recapitalizing equipment. The fact that the number of vehicles and weapon systems currently in Army depots are sufficient to equip five Brigade Combat Teams and one Combat Aviation Brigade demonstrates the importance of timely recapitalization and reconditioning.

The Fiscal Year 2009 President’s Budget

The fiscal year 2009 President’s Budget requests \$140.7 billion for the Army. This request and the amounts in the Global War on Terror (GWOT) Request are necessary to support current operations, fight the wars in Iraq and Afghanistan, sustain the All-Volunteer Force, and prepare for future threats to the Nation. This year the President approved accelerating the end-strength of the Army’s Active Component to 547,000 and the Army National Guard to 358,200 by 2010.

The Army Reserve will increase in size to 206,000 by 2013. This most significant increase in the fiscal year 2009 budget is the result of permanent end-strength increases of 44,300 Soldiers in two components—43,000 in the Active Component and over 1,300 in the Army National Guard. The Army’s fiscal year 2009 budget includes \$15.1 billion for all the costs associated with Grow the Army, which is an increase of \$7.4 billion over the costs of this initiative in fiscal year 2008. This growth will enhance combat capabilities, help meet global force demand, and reduce stress on deployable personnel. Amounts requested by major appropriation category in the fiscal year 2009 President’s Budget as well as the change from the amounts enacted in fiscal year 2008 are:

Military Personnel

The fiscal year 2009 budget requests \$51.8 billion, a \$5.5 billion increase from fiscal year 2008. This includes \$4 billion for Grow the Army, an increase of \$3.4 billion over fiscal year 2008. This amount also funds pay, benefits, and associated personnel costs for 1,090,000 Soldiers: 532,400 Active, 352,600 Army National Guard, and 205,000 Army Reserve. The GWOT Request will fund special pays and incentives and the mobilization of Reserve Component Soldiers.

Operation and Maintenance

The fiscal year 2009 budget requests \$40.2 billion, a \$3.6 billion increase from fiscal year 2008. This includes \$2.6 billion for Grow the Army, an increase of \$1.9 billion from fiscal year 2008. The increase funds training and sustainment of Army forces and includes the maintenance of equipment and facilities. The GWOT Request will fund the day-to-day cost of the war, training to prepare units for deployment, and the reset of forces returning from deployment.

Procurement

The fiscal year 2009 budget requests \$24.6 billion, a \$2 billion increase from fiscal year 2008. This includes \$4.2 billion for Grow the Army, an increase of \$100 million from fiscal year 2008. This increase continues procurement of weapons systems for the Army to include the Non-Line of Sight Cannon, an FCS-designed system. The GWOT Request will fund procurement of weapon systems to improve force readiness and replace battle losses and the reset of forces returning from deployment.

Research, Development, Test, and Evaluation

The fiscal year 2009 budget requests \$10.5 billion, approximately the same amount requested last year, but a \$1.5 billion decrease in the amount appropriated in fiscal year 2008. The fiscal year 2009 request reflects a \$100 million decrease to the FCS Research, Development, Test, and Evaluation as the programs transition to procurement.

Construction, Base Realignment and Closure (BRAC), and Army Family Housing

The fiscal year 2009 budget requests \$11.4 billion, a \$1.8 billion increase from fiscal year 2008. This includes \$4.3 billion for Grow the Army, an increase of \$1.9 billion from fiscal year 2008. The increase funds the construction of facilities to support the growth and re-stationing of Army Forces. The GWOT Request will fund construction in and around the Iraq and Afghanistan theaters of operation.

Other Accounts

The Army executes the Chemical Agents and Munitions Destruction Program. Funding for this account is stable at \$1.6 billion in fiscal year 2008 and fiscal year 2009. The Army also has fiscal responsibility for the Iraq Security Forces Fund (ISFF), Afghanistan Security Forces Fund (ASFF), and Joint Improvised Explosive Device Defeat Organization (JIEDDO) appropriations. The Army budgets for recurring sustainment costs of JIEDDO with fiscal year 2009 at \$500 million, an increase of \$400 million from fiscal year 2008. The GWOT Request will fund JIEDDO initiatives. The ISFF and ASFF are funded entirely through the GWOT Request.

Restoring Fiscal Balance

Timely and full funding of the Army's fiscal year 2009 request of \$140.7 billion will ensure the Army is ready to meet the needs of the Nation and continue the process of putting us back in balance. However, it is important to note that over the last six years, the Army has received increasing proportions of its funding through supplemental and GWOT appropriations. This recurring reliance on GWOT funds and a natural overlap between base and GWOT programs means that the Army's base budget does not fully cover the cost of both current and future readiness requirements. Because the GWOT planning horizon is compressed and the timing and amount of funding is unpredictable, some base programs would be at risk if supplemental funding is precipitously reduced or delayed. An orderly restoration of the balance between base and GWOT requirements is essential to maintain Army capabilities for future contingencies.

STEWARDSHIP, INNOVATION, AND ACCOMPLISHMENTS

Our goals are to be good stewards of the resources we are provided by Congress and to free human and financial resources for higher priority operational needs. Through the use of innovations such as Lean Six Sigma we are improving support to our people while reducing waste and inefficiencies. Integral to achieving our goals is the development of an Army-wide cost-management culture in which leaders better understand the full cost of the capabilities they use and provide and incorporate cost considerations into their planning and decision-making. This approach will enable us to achieve readiness and performance objectives more efficiently. Concurrently, we are strengthening our financial and management controls to improve contracting in expeditionary operations and ensure full compliance with the law and regulations. Our goal to improve long-term sustainability will be achieved through

effective stewardship of human, financial, and natural resources. Some examples of our ongoing initiatives include:

- Adjusting our national and global footprint to improve efficiency and sustainability.
- Transforming installations, depots, arsenals, and the information network that connects them to become more effective, energy efficient, and environmentally conscious.
- Transforming the Army’s training, structure, systems, and processes to better sustain and prepare the force.
- Adapting our activities to protect the environment.

Our accomplishments over the past year further illustrate our commitment to improving efficiency and effectiveness throughout the Army.

ARMY ACCOMPLISHMENTS

Initiated the Army Medical Action Plan to improve medical care for our Wounded Warriors.

Initiated the Soldier Family Action Plan bringing to life the Army Family Covenant.

Initiated Soldier Family Assistance Centers throughout the Army to provide a single point of entry for Families and Wounded Warriors for health-care and related issues.

Recognized with the prestigious Malcolm Baldrige Award; the Army Armament, Research and Development Engineering Center is the only organization in the federal government to have received this honor.

Recognized for world-class excellence in manufacturing, the Army Materiel Command’s depots and arsenals earned 12 Shingo public sector awards.

Formed the Army Contracting Task Force to review current contracting operations and then immediately began implementing improvements.

Converted approximately 10,000 military positions to civilian positions through the end of fiscal year 2007.

Privatized more than 4,000 homes, bringing the total to over 75,000 homes that are privately managed.

Reduced energy consumption on our installations through fiscal year 2007, achieving levels down 8.4 percent since 2003 and 28.9 percent since 1985.

Reset 123,000 pieces of equipment, including 1,700 tracked vehicles, 15,000 wheeled vehicles, 550 aircraft, and 7,400 generators.

Improved property accountability by providing Army-wide visibility of 3.4 billion items valued in excess of \$230 billion.

Destroyed over 15,000 tons of chemical agents contained in 1.8 million chemical munitions and containers.

Moved 10 million square feet of unit cargo in support of the GWOT and humanitarian aid missions.

Merged the Joint Network Node program into the Warfighter Information Network-Tactical, resulting in better integration and cost savings.

Began fielding Mine Resistant Ambush Protected (MRAP) vehicles to units in Iraq.

Established the Army Evaluation Task Force and fielded first “spin-outs” from FCS.

Developed the Automated Reset Management Tool to provide a collaborative integrated tool for equipment reset planning and execution of the Army Force Generation process.

Increased the rigor in training new Soldiers by requiring graduates of basic training to be Combat Lifesaver certified.

Fielded Human Terrain Teams to assist commanders in gaining objective knowledge of a population’s social groups, interests and beliefs.

Employed National Guard Soldiers worldwide who aided in seizing nearly 4,000 vehicles, approximately a million pounds of marijuana, and roughly 600,000 pounds of cocaine.

While we are proud of these accomplishments, we continue to identify and pursue additional ways to improve our stewardship, efficiency, and effectiveness throughout the Army.

PRESERVING THE STRENGTH OF THE NATION

The Army has been at war for over six years. Our Soldiers have demonstrated valor, endured countless hardships, and made great sacrifices. Over 3,000 Soldiers have died and many more have been wounded. The awards our Soldiers have earned reflect their accomplishments and bravery on the battlefield. Our Army Families have stood shoulder to shoulder with their Soldiers throughout these challenging times.

Our examination of the current and future security environments confirms the need to restore balance and build readiness across all components of the Army as quickly as possible. Four imperatives—Sustain, Prepare, Reset, and Transform—frame how the Army will restore balance by 2011 and begin to build readiness for the future. To accomplish our plan, we will continue to require timely and predictable resources and support.

The Army will remain central to successfully achieving U.S. national security objectives, particularly in an era in which operations will be waged increasingly among people in urban environments. As the decisive ground component of the Joint and interagency teams, the Army operates across the full spectrum of conflict to protect our national interests and affirm our Nation's commitment to friends, allies, and partners worldwide. Our goal is a more agile, responsive, campaign quality and expeditionary Army with modern networks, surveillance sensors, precision weapons, and platforms that are lighter, less logistics dependent, and less manpower intensive.

As we restore balance and build readiness for the future, we continue to invest in our centerpiece—Soldiers—and the Families that support them. Of the million Soldiers in uniform, over half of them are married, with more than 700,000 children. The Army Family Covenant, the Soldier Family Action Plan, and the Army Medical Action Plan are examples of our commitment to caring for our Soldiers, Families, and Army Civilians in these challenging times. With the continued support from the Secretary of Defense, the President, and Congress for our legislative and financial needs, the Army will restore balance, build the readiness necessary in an era of persistent conflict, and remain The Strength of the Nation.

ADDENDUM A—RESERVE COMPONENTS READINESS

Sections 517 and 521 of the National Defense Authorization Act (NDAA) 1994 require the information in this addendum. Section 517 requires a report relating to implementation of the pilot program for active component support of the Reserves under Section 414 of the NDAA 1992 and 1993. Section 521 requires a detailed presentation concerning the Army National Guard (ARNG), including information relating to implementation of the ARNG Combat Readiness Reform Act of 1992 (Title XI of Public Law 102-484, referred to in this addendum as ANGCRRA). Section 521 reporting was later amended by Section 704 of NDAA 1996. U.S. Army Reserve information is also presented using Section 521 reporting criteria.

Section 517(b)(2)(A)

The promotion rate for officers considered for promotion from within the promotion zone who are serving as active component advisors to units of the Selected Reserve of the Ready Reserve (in accordance with that program) compared with the promotion rate for other officers considered for promotion from within the promotion zone in the same pay grade and the same competitive category, shown for all officers of the Army.

[In percent]

	AC in RC ¹	Army Average ²
Fiscal year 2006:		
Major	93.9	96.5
Lieutenant Colonel	68.7	90.9
Fiscal year 2007:		
Major	100.0	94.9
Lieutenant Colonel	100.0	91.0

¹ Active Component officers serving in Reserve Component assignments at time of consideration.

² Active Component officers not serving in Reserve Component assignments at the time of consideration.

Section 517(b)(2)(B)

The promotion rate for officers considered for promotion from below the promotion zone who are serving as Active Component advisors to units of the Selected Reserve

of the Ready Reserve (in accordance with that program) compared in the same manner as specified in subparagraph (A) (the paragraph above).

[In percent]

	AC in RC ¹	Army Average ²
Fiscal year 2006:		
Major	5.1	6.8
Lieutenant Colonel	3.2	8.1
Fiscal year 2007:		
Major	³ 50.0	9.0
Lieutenant Colonel		9.7

¹ Below the zone Active Component officers serving in Reserve Component assignments at time of consideration.
² Below-the-zone Active Component officers not serving in Reserve Component assignments at time of consideration.
³ One officer promoted below the zone out of two eligible for consideration.

Section 521(b)

1. The number and percentage of officers with at least two years of active-duty before becoming a member of the Army National Guard or the U.S. Army Reserve Selected Reserve units:

- ARNG officers: 20,811 or 55.5 percent.
- Army Reserve officers: 4,968 or 7.9 percent.

2. The number and percentage of enlisted personnel with at least two years of active-duty before becoming a member of the Army National Guard or the U.S. Army Reserve Selected Reserve units:

- ARNG enlisted: 119,269 or 37.8 percent.
- Army Reserve enlisted: 11,247 or 18.8 percent.

3. The number of officers who are graduates of one of the service academies and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to section 111 2(a)(1) of ANGCRRRA:

—In fiscal year 2007, no graduates of a service academy were released to the Selected Reserve to complete their obligation.

b. The number for whom waivers were granted by the Secretary of the Army under section 1112(a)(2) of ANGCRRRA, together with the reason for each waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

4. The number of officers who were commissioned as distinguished Reserve Officers' Training Corps graduates and were released from active duty before the completion of their active-duty service obligation and, of those officers:

a. The number who are serving the remaining period of their active-duty service obligation as a member of the Selected Reserve pursuant to section 1112(a)(1) of ANGCRRRA:

—In fiscal year 2007, one distinguished Reserve Officers' Training Corps (ROTC) graduate was released before completing his active-duty service obligation.

b. The number for whom waivers were granted by the Secretary of the Army under section 1112(a)(2) of ANGCRRRA, together with the reason for each waiver: In fiscal year 2007, one waiver was granted by the Secretary of the Army. The reason for the waiver was personal hardship (i.e., a child of the service member, born with a congenital heart defect, must be within 10–15 minutes from a major center specializing in pediatric cardiology for services as required).

5. The number of officers who are graduates of the Reserve Officers' Training Corps program and who are performing their minimum period of obligated service in accordance with section 1112(b) of ANGCRRRA by a combination of (a) two years of active duty, and (b) such additional period of service as is necessary to complete the remainder of such obligation served in the National Guard and, of those officers, the number for whom permission to perform their minimum period of obligated service in accordance with that section was granted during the preceding fiscal year:

—In fiscal year 2007, no ROTC graduates were released early from their active-duty obligation. Of this number, none are completing the remainder of their obligation through service in the ARNG, and none through service in the Army Reserve.

6. The number of officers for whom recommendations were made during the preceding fiscal year for a unit vacancy promotion to a grade above first lieutenant, and of those recommendations, the number and percentage that were concurred in by an active duty officer under section 1113(a) of ANGCRRRA, shown separately for

each of the three categories of officers set forth in section 1113(b) of ANGCRRRA (with Army Reserve data also reported):

—2,129 ARNG officers from units were recommended for position-vacancy promotion and promoted.

—37 Army Reserve officers from units were recommended for position-vacancy promotion and promoted.

7. The number of waivers during the preceding fiscal year under section 1114(a) of ANGCRRRA of any standard prescribed by the Secretary establishing a military education requirement for non-commissioned officers and the reason for each such waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

8. The number and distribution by grade, shown for each State, of personnel in the initial entry training and non-deployability personnel accounting category established under section 1115 of ANGCRRRA for members of the Army National Guard who have not completed the minimum training required for deployment or who are otherwise not available for deployment. A narrative summary of information pertaining to the Army Reserve is also provided:

—In fiscal year 2007, the ARNG had 61,700 Soldiers were considered nondeployable because of incomplete initial entry training, officer transition, medical issues, nonparticipation, or restrictions on the use or possession of weapons and ammunition under the Lautenberg Amendment. The National Guard Bureau (NGB) maintains the detailed information.

—In fiscal year 2007, the Army Reserve had 35,049 (AR) Soldiers who were considered nonavailable for deployment for reasons outlined in Army Regulation 220-1, Unit Status Reporting (e.g., pending administrative/legal discharge or separation, medical non-availability).

9. The number of members of the Army National Guard, shown for each State, that were discharged during the previous fiscal year pursuant to section 1115(c)(1) of ANGCRRRA for not completing the minimum training required for deployment within 24 months after entering the National Guard, Army Reserve data also reported:

—The number of ARNG Soldiers discharged during fiscal year 2007 pursuant to section 1115(c)(1) of ANGCRRRA for not completing the minimum training required for deployment within 24 months after entering the Army National Guard is 161 officers and 11,095 enlisted Soldiers from all U.S. states and territories. The breakdown by each state is maintained by the NGB.

—The number of Army Reserve Soldiers discharged during fiscal year 2007 for not completing the minimum training required for deployment within 24 months after entering the Army Reserve is 15 officers and 436 enlisted Soldiers. Those Soldiers who have not completed the required initial entry training within the first 24 months are discharged from the Army Reserve under AR 135-178, Separation of Enlisted Personnel. Those officers who have not completed a basic branch course within 36 months after commissioning are separated under AR 135-175, Separation of Officers.

10. The number of waivers, shown for each State, that were granted by the Secretary of the Army during the previous fiscal year under section 1115(c)(2) of ANGCRRRA of the requirement in section 1115(c)(1) of ANGCRRRA described in paragraph (9), together with the reason for each waiver:

—In fiscal year 2007, no waivers were granted by the Secretary of the Army.

11. The number of Army National Guard members, shown for each State, (and the number of AR members), who were screened during the preceding fiscal year to determine whether they meet minimum physical profile standards required for deployment and, of those members: (a) the number and percentage that did not meet minimum physical profile standards for deployment; and (b) the number and percentage who were transferred pursuant to section 1116 of ANGCRRRA to the personnel accounting category described in paragraph (8):

a. The number and percentage who did not meet minimum physical profile standards required for deployment:

—In fiscal year 2007, 155,662 ARNG Soldiers underwent a physical. Of these personnel, 5,606 or 3.6 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

—In fiscal year 2007, 56,384 Army Reserve Soldiers underwent a physical. Of these personnel 9,073 or 16 percent were identified for review due to a profile-limiting condition or failure to meet retention standards.

b. The number and percentage that were transferred pursuant to section 1116 of ANGCRRRA to the personnel accounting category described in paragraph (8):

—In fiscal year 2007, 5,821 ARNG Soldiers were transferred from deployable to nondeployable status for failing to meet medical deployability standards. This

number includes Soldiers returning from a mobilization with a new medical condition and reflects an increase in the use of electronic databases.

—In fiscal year 2007, 839 Army Reserve Soldiers were considered nonavailable for deployment for failing to meet medical deployability standards. This is a decrease of 784 from the previous fiscal year.

12. The number of members and the percentage total membership of the Army National Guard shown for each State who underwent a medical screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

13. The number of members and the percentage of the total membership of the Army National Guard shown for each State who underwent a dental screening during the previous fiscal year as provided in section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

14. The number of members and the percentage of the total membership of the Army National Guard shown for each State, over the age of 40 who underwent a full physical examination during the previous fiscal year for purposes of section 1117 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1117 of ANGCRRA.

15. The number of units of the Army National Guard that are scheduled for early deployment in the event of a mobilization, and of those units, the number that are dentally ready for deployment in accordance with section 1118 of ANGCRRA:

—Public Law 104–106 (NDAA 1996), Div A, Title VII, Section 704 (b), February 10, 1996, repealed Section 1118 of ANGCRRA.

16. The estimated post-mobilization training time for each Army National Guard combat unit (and Army Reserve unit), and a description, displayed in broad categories and by State of what training would need to be accomplished for Army National Guard combat units (and AR units) in a post-mobilization period for purposes of section 1119 of ANGCRRA:

—Information on the type of training required by units during post-mobilization is maintained by First United States Army. The data are not captured and provided by the state.

—ARNG units are striving to train in accordance with the Army Force Generation (ARFORGEN) process in order to prepare for operational missions and reduce post-mobilization training time. The ARFORGEN process requires increasing resources as necessary for maximum company-level training proficiency prior to mobilization. This training generally consists of individual warrior training tasks, weapons qualification and gunnery, battle staff training, and maneuver training. This is followed by theater-specific tasks and higher level collective training to complete the predeployment requirements for the unit's specific mission. The goal for post-mobilization training time for a brigade-size organization is approximately 60 days.

—Post-mobilization training time is contingent upon the amount of certified pre-mobilization training conducted, the type of unit, and its assigned mission. In order to reduce post-mobilization training time, the ARNG has developed programs and products such as the ARNG Battle Command Training Capability, the eXportable Combat Training Capability (XCTC), myriad training devices and range complexes for our units. The combination of programs and products, provide our units with the capability to accomplish more pre-mobilization training and reduce post-mobilization training time.

—The Army Reserve Training Strategy (ARTS) envisions execution of both the provisions of section 1119 as well as the Office of the Secretary of Defense train-alert-deploy paradigm. Specifically, the ARTS requires higher levels of pre-mobilization readiness through completion of increasingly higher levels of training as units progress through the ARFORGEN cycle. Thus, the initial focus on individual and leader training migrates to low-level unit and battle staff, culminating in multiechelon, combined-arms exercises in the Ready year. The goal is to provide trained and ready combat support/combat service support platoons and trained and proficient battle staffs, battalion level and above, to the mobilization station. Realization of this strategy is dependent upon additional resources as it requires additional active training days and support funds. The majority of the additional training days are currently being resourced in the base budget, but the additional operational tempo is funded via GWOT Requests.

—Per January 2007 direction from the Secretary of Defense (SECDEF) Reserve Component unit mobilizations are now limited to 400-day periods, including a

30-day post-mobilization leave. Perhaps the most significant impact of this policy change is the inclusion of post-mobilization training time in the 400-day mobilization period. Thus, many training tasks previously conducted during post-mobilization periods of three to six months have been identified for pre-mobilization training, and Army Reserve units are training to standard on as many of these tasks as resources permit.

- Post-mobilization training for Army Reserve units is directed and managed by the First Army. First Army conducts the theater-specified training required and confirms the readiness of mobilized Army Reserve units to deploy to overseas theaters. ARFORGEN’s Ready Year 2 (the year before mobilization) is particularly critical to implementation of the ARTS and SECDEF policies. During the Ready Year 2, Army Reserve units complete collective pre-mobilization training in a 29-day period, including training on many of the theater-identified tasks formerly covered by First Army during post-mobilization. Timely alert for mobilization—at least one year prior to mobilization—is crucial.
- Army goals for post-mobilization training for Army Reserve headquarters and combat support/combat service support units range from 30 to 60 days. Post-mobilization training conducted by First Army typically consists of counterinsurgency operations, counter-improvised-explosive-device training, convoy live-fire exercises, theater orientation, rules of engagement/escalation-of-force training, and completion of any theater-specified training not completed during the pre-mobilization period. Typical post-mobilization periods for various units are outlined below.

POST MOBILIZATION TRAINING DAYS

	Current	Bridging ¹	Objective
Military Police (Internet Resettlement)	77	60	46
Engineer Battalion (Route Clearance)	75	60	44
Military Police Company	86	60	46
Supply Company	60	45	33
Postal Company	95	30	22
Engineering Company (Construction)	60	45	35
Transportation Company (Heavy Equip Trans)	60	45	33

¹The period roughly from Training Year 2008 through Training Year 2010, when required training enablers (e.g., dollars, training days, training support structure, training facilities) are resourced and thus support the higher levels of pre-mobilization individual, leader, and collective training needed to maximize boots on ground/deployed time.

17. A description of the measures taken during the preceding fiscal year to comply with the requirement in section 1120 of ANGCRRRA to expand the use of simulations, simulators, and advanced training devices and technologies for members and units of the Army National Guard (and the Army Reserve):

- During fiscal year 2007, the ARNG continued to synchronize the use of existing and ongoing live, virtual, and constructive training aids, devices, simulations and simulators (TADSS) programs with the training requirements of the ARFORGEN training model. By synchronizing the use of TADSS with ARFORGEN, the ARNG continues to improve unit training proficiency prior to mobilization.
- To support the training requirements of M1A1 Abrams and M2A2 Bradley-equipped Brigade Combat Teams (BCTs), the ARNG continued the fielding of the Advanced Bradley Full-Crew Interactive Simulation Trainer, which provides full crew-simulations training for M2A2 units, Tabletop Full-fidelity Trainers for the M2A2 and the Conduct of Fire Trainer XXI for M1A1 and M2A2. When fully fielded, these devices, in addition to the Abrams Full-Crew Interactive Simulation Trainer XXI, will be the primary simulations trainers to meet the virtual gunnery requirements of M1A1 and M2A2 crews.
- In order to meet the virtual-maneuver training requirements in the ARFORGEN process, M1A1 and M2A2 units use the Close-Combat Tactical Trainer (CCTT) and the Rehosed Simulations Network (SIMN ET) XXI, in addition to the Rehosed SIMNET CCTT Core. The CCTT, SIMNET XXI, and SIMNET CCTT provide a mobile training capability to our dispersed units.
- In order to train all ARNG units on the tactics, techniques, and procedures (TTPs) of convoy operations, the ARNG is fielding the Virtual Convoy Operations Trainer (VCOT). The VCOT, through the use of geospecific databases, provides commanders with a unique and critical mission rehearsal tool. Currently, 32 VCOT systems are positioned in the ARNG force to train units on the fundamentals of convoy operations.

—In order to meet basic and advanced rifle marksmanship requirements, the ARNG is fielding the Engagement Skills Trainer (EST 2000).

This system is the Army's approved marksmanship-training device. The ARNG is also continuing use of its previously procured Fire Arms Training System (FATS) until EST 2000 fielding is complete. The EST 2000 and FATS are also used to provide unit collective tactical training for dismounted Infantry, Special Operations Forces, Scouts, Engineer, and Military Police squads, as well as combat support and combat service support elements. These systems also support units conducting vital homeland defense missions.

—The ARNG supplements its marksmanship-training strategy with the Laser Marksmanship Training System (LMTS). The ARNG currently has over 900 systems fielded down to the company level. The LMTS is a laser-based training device that replicates the firing of the Soldier's weapon without live ammunition. It is utilized for developing and sustaining marksmanship skills, diagnosing and correcting marksmanship problems, and assessing basic and advanced skills.

—The ARNG has further developed its battle command training capability through the three designated Battle Command Training Centers (BCTCs) at Fort Leavenworth, Camp Dodge, and Fort Indiantown Gap, and the Distributed Battle Simulation Program (DBSP). BCTCs provide the backbone of the program as collective hubs in the battle command training strategy. The DBSP provides Commanders assistance from Commander's Operational Training Assistants, TADSS facilitators, and Technical Support Teams. BCTCs and the DBSP collectively help units in the planning, preparation, and execution of simulations-based battle staff training that augments the Department of the Army-directed Warfighter Exercises and greatly enhances battle staff and unit proficiency.

—In order to provide the critical culminating training event of ARFORGEN, the ARNG has implemented the XCTC. The XCTC program provides the method to certify that ARNG combat units have achieved company-level maneuver proficiency prior to mobilization. The XCTC incorporates the use of advanced live, virtual, and constructive training technologies to replicate the training experience until now only found at one of the Army's Combat Training Centers. The centerpiece of the XCTC is the Deployable Force-on-Force Instrumented Range System (DFIRST). DFIRST utilizes training technologies that allow for full instrumentation of the training area from major combat systems down to the individual Soldier, role player, and civilian on the battlefield.

—The most important part of every training exercise is the After-Action Review (AAR). By full instrumentation of the units, Soldiers, and training areas, units receive an AAR complete with two-dimensional, three-dimensional, and video playback of the actual training exercise. This allows Commanders and Soldiers to see what occurred during the training exercise from a different perspective, further enhancing the training experience.

—The Army Reserve continues to leverage—to extent resources permit—TADSS into its training program. Implementation of Army Campaign Plan Decision Point 72 continues with establishment of the 75th Battle Command Training Division (BCTD) (Provisional). This division, with five battle command training brigades, employs legacy constructive simulations to provide battle command and staff training to Army Reserve and Army National Guard battalion and brigade commanders and staffs during pre-mobilization and post-mobilization. The concept plan as well as requirements for supporting Army battle command systems and simulations drivers for the 75th BCTD is pending Headquarters Department of the Army (HQDA) approval.

—The Army Reserve continues to partner with the Program Executive Office, Simulations, Training and Instrumentation; Training and Doctrine Command agencies; and HQDA to define TADSS requirements for combat support and combat service support units. During fiscal year 2007 the Army Reserve refined concepts for the integration of live, virtual, and constructive environments to train Soldiers and units. Most notably, during the Pacific Warrior exercise in July 2007, the Army Reserve attempted to integrate live and constructive environments as it trained senior battle staffs in both constructive and live environments while lower echelon units conducted platoon lanes. The distinction between live and constructive was apparent to the senior battle staff managing exercise play. The lack of key TADSS enablers was identified in concept plans (e.g., 75th BCTD, Army Reserve Operations Groups) awaiting HQDA approval. Upon approval and subsequent fielding of the required TADSS, this gap will be filled. The 75th BCTD is on the Entity-level Resolution Federation (ERF) fielding plan. The ERF provides a high-resolution (e.g., individual Soldier-level fidel-

- ity aggregated to unit resolutions) joint constructive battle staff training simulation.
- The LMTS and EST 2000 remain essential elements of Army Reserve marksmanship training. LMTS procurement continues, and distribution throughout the Army Reserve force continues to increase. The LMTS has also been adapted to support convoy operations training. In either individual premarksmanship training or convoy modes, the system allows the Soldier to use an assigned weapon, as well as crew-served weapons, in a simulation/training mode. EST 2000 systems have been fielded to many Army Reserve Engineer and Military Police organizations to enable full use of its training capabilities by units with high densities of crew-served weapons their at home stations.
 - The Army Reserve also has a number of low-density simulators it employs to reduce expensive “live” time for unique combat service support equipment. For example, Army Reserve watercraft units train on the Maritime Integrated Training System (MITS), a bridge simulator that not only trains vessel captains but the entire crew of Army watercraft. In 2007 the Army Reserve invested in communications infrastructure so that the MITS at Mare Island, California, can communicate and interact with another Army MITS at Fort Eustis, Virginia. This will provide the capability to conduct distributed multiboat collective training among all the simulators. Of note, the MITS is also used by U.S. Navy, U.S. Coast Guard, and harbor management agencies. Other simulators include locomotive simulators used by Army Reserve railroad units and a barge derrick simulator for floating watercraft maintenance units. Other simulator requirements have been and are being identified in requirements documents.
 - To further the use of simulations and simulators, the Army Reserve hosted a Functional Area 57 (Simulations Operations Officer) course in Birmingham, Alabama, for 26 officers of the 4th Brigade, 75th BCTD. Conducted by HQDA cadre in August and September 2007, the course was a proof-of-principle effort to assess the viability of exporting the resident course from Fort Belvoir to Army Reserve home stations. The Army Reserve intends to continue off-site delivery to the other four brigades of the 75th Division as well as the three Operations Groups while continuing to use resident school quotas to meet formal schooling requirements. Having a qualified cadre of schooled training supporters is the foundation of the use of simulations and simulators, as well as the authoring of requirements documents conducive to the procurement of simulators and simulations to meet combat support and combat service support needs.
 - The Army Reserve recommendation for a low overhead driver/staff trainer for brigade-battalion combat support and combat service support Commanders was adopted as a Quick Win by the Total Army Training Capability Study (collective training). The Army is planning on procuring a solution in fiscal year 2008-fiscal year 2009 to allow Commanders to conduct stressful and doctrinally correct staff training at home station without the need for a significant investment in facilities or support technicians.
18. Summary tables of unit readiness, shown for each State, (and for the Army Reserve), and drawn from the unit readiness rating system as required by section 1121 of ANGCRRRA, including the personnel readiness rating information and the equipment readiness assessment information required by that section, together with:
- a. Explanations of the information: Readiness tables are classified. This information is maintained by the Department of the Army, G-3. The data is not captured and provided by state.
 - b. Based on the information shown in the tables, the Secretary’s overall assessment of the deployability of units of the ARNG (and Army Reserve), including a discussion of personnel deficiencies and equipment shortfalls in accordance with section 1121: Summary tables and overall assessments are classified. This information is maintained by the Department of the Army, G-3.
19. Summary tables, shown for each State (and Army Reserve), of the results of inspections of units of the Army National Guard (and Army Reserve) by inspectors general or other commissioned officers of the Regular Army under the provisions of Section 105 of Title 32, together with explanations of the information shown in the tables, and including display of:
- a. The number of such inspections.
 - b. Identification of the entity conducting each inspection.
 - c. The number of units inspected.
 - d. The overall results of such inspections, including the inspector’s determination for each inspected unit of whether the unit met deployability standards and, for

those units not meeting deployability standards, the reasons for such failure and the status of corrective actions.

- During fiscal year 2007, Inspectors General and other commissioned officers of the Regular Army conducted 252 inspections of the ARNG, including 672 ARNG units. The bulk of these inspections (208) were executed by Regular Army officers assigned to the respective states and territories as Inspectors General. Of the remaining 44, 37 were conducted by First Army and the Department of the Army Inspector General and the remaining 7 by the U.S. Army Forces Command (FORSCOM); Training and Doctrine Command (TRADOC); Communications-Electronics Command; and the U.S. Army Audit Agency. Because the inspections conducted by Inspectors General focused on findings and recommendations, the units involved in these inspections were not provided with a pass/fail rating. Results of such inspections may be requested for release through the Inspector General of the Army.
 - Operational Readiness Evaluation data for the Force Support Package and expanded separate brigades are unavailable, as inspections there of were eliminated as requirements in 1997. Data available under the Training Assessment Model (TAM) relates to readiness levels and is generally not available in an unclassified format. TAM data are maintained at the state level and are available upon request from state level-training readiness officials.
 - In accordance with AR 1–201, Army Inspection Policy, the U.S. Army Reserve Command (USARC) conducts inspections of regional readiness commands and direct support units within requirements of the USARC Organizational Inspection Program (OIP). Per the Army Regulation, OIPs at division levels and above, mainly comprise staff inspections, staff assistance visits and Inspectors General. Staff inspections are only one aspect by which Commanding Generals can evaluate the readiness of their commands. The Inspector General conducts inspections and special assessments based on systemic issues and trends analysis with emphasis on issues that could impede the readiness of the Army Reserve.
 - The Chief, Army Reserve, directed the Inspector General to conduct special assessments in fiscal year 2007 prompted by concerns over systemic issues. One was the Special Assessment of Property Accountability. It focused on policies and guidance for, compliance with standards of, and adherence to the Command Supply Discipline Program; the effectiveness of the reconstitution process; and the impact of stay-behind-theater-provided equipment on property accountability, with emphasis on transportation and communications equipment.
 - Another was the Special Assessment of the Organizational Inspection Program, which evaluated the OIP to determine if Commanders were using it to assess readiness and to reinforce goals and standards within their commands. These assessments also encompassed an annual regulatory review of compliance with and effectiveness of, the Army Voting Assistance Program, a program of special interest to the Department of the Army.
 - The Army Reserve is meeting regulatory requirements through a combination of Battle-Focused Readiness Reviews (BFRRs) and staff assistance visits, with the assistance visits conforming to regulatory requirements of AR 1–201. The BFRR is the tool used by major subordinate Commanders to provide the Army Reserve Commanding General a status on resources and readiness of their commands, and resolve systemic issues/trends in order to achieve continuous improvements in readiness. The Army Reserve conducted 16 BFRRs in fiscal year 2007. The staff assistance visits were more oriented to a particular topic in the staff proponent's area.
20. A listing, for each ARNG combat unit (and U.S. Army Reserve FSP units) of the active-duty combat units (and other units) associated with that ARNG (and U.S. Army Reserve) unit in accordance with section 1131(a) of ANGCRRRA, shown by State, for each such ARNG unit (and for the U.S. Army Reserve) by: (A) the assessment of the commander of that associated active-duty unit of the manpower, equipment, and training resource requirements of that National Guard (and Army Reserve) unit in accordance with section 1131(b)(3) of the ANGCRRRA; and (B) the results of the validation by the commander of that associated active-duty unit of the compatibility of that National Guard (or U.S. Army Reserve) unit with active duty forces in accordance with section 1131 (b)(4) of ANGCRRRA:
- There are no longer ground combat active or reserve component associations due to operational mission requirements and deployment tempo.
 - As FORSCOM's executive agent, First Army and USARPAC (U.S. Army Pacific) for Pacific based Reserve Component units, executes the legislated active duty associate unit responsibilities through both their pre-mobilization and post-mobilization efforts with reserve component units. When reserve component units

are mobilized they are thoroughly assessed in terms of manpower, equipment, and training initially by the appropriate chain of command, and that assessment is approved by First Army or USARPAC as part of the validation for unit deployment.

—Validation of the compatibility of the reserve component units with the active duty forces occurs through the mobilization functions with the direct oversight of First Army, USARPAC and FORSCOM at the Mobilization Centers.

—The Army’s Transformation from a division-centric to brigade-centric organization, execution of ARFORGEN, and acceleration of modularity and rebalancing efforts in the ARNG and Army Reserve, coupled with lack of available active ground combat units to conduct annual assessment of reserve component units, should obviate the reporting requirement stipulated in Title 10, U.S. Code, Section 10542, Army National Guard Combat Readiness Annual Report.

21. A specification of the active-duty personnel assigned to units of the Selected Reserve pursuant to section 414(c) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 261 note), shown (a) by State for the Army National Guard (and for the US Army Reserve), (b) by rank of officers, warrant officers, and enlisted members assigned, and (c) by unit or other organizational entity of assignment:

—As of September 30, 2007, the Army had 3,251 active component Soldiers assigned to Title XI positions. In fiscal year 2006, the Army began reducing authorizations in accordance with the National Defense Authorization Act 2005 (Public Law 108–767, Section 515). Army G–1, and U.S. Army Human Resources Command carefully manages the authorizations and fill of Title XI positions. The data are not captured and provided by state.

TITLE XI (FISCAL YEAR 2007) AUTHORIZATIONS

	OFF	ENL	WO	TOTAL
OA-22		2		2
U.S. Army Reserve	25	83		108
TRADOC	83	80		163
FORSCOM	1,155	2,225	121	3,501
ESGR				
USARPAC	30	54	1	85
TOTAL	1,293	2,444	122	3,859

ADDENDUM B—INFORMATION PAPERS

For more information about the topics below: www.army.mil/aps/08/information_papers/information_papers.php

Sustain

- | | |
|-----------------------------------------------|-------------------------------------------------------------|
| Army Career Intern Program | Army Transferability of GI Bill Benefits to Spouses Program |
| Army Career Tracker | ARNG Active First |
| Army Community Services | ARNG Education Support Center |
| Army Family Action Plan | ARNG Family Assistance Centers |
| Army Continuing Education System | ARNG Freedom Salute |
| Army Family Housing | ARNG GED Plus |
| Army Family Team Building Information | ARNG Periodic Health Assessment |
| Army Integrated Family Support Network | ARNG Post Deployment Health Reassessment |
| Army Medical Action Plan | ARNG Recruit Sustainment Program |
| Army Referral Bonus Pilot Program | ARNG Recruiter Assistance Program |
| Army Reserve Child and Youth Services | ARNG Yellow Ribbon Program |
| Army Reserve Employer Relations | Better Opportunity for Single Soldiers |
| Army Reserve Voluntary Education Services | Child and Youth School Transition Services |
| Army Reserve Voluntary Selective Continuation | Commissary and Exchange Quality of Life |
| Army Retention Program | Community Based Health Care Organization |
| Army Spouse Employment Partnership | Defense Integrated Military Human Resource System |
| Army Strong | |
| Army Suicide Prevention Program | |

Deployment Cycle Support
 Diversity
 Equal Opportunity and Prevention of Sexual Harassment
 Exceptional Family Member Program Respite Care
 Family Advocacy Program
 Family Readiness Support Assistant
 Freedom Team Salute
 Full Replacement Value and Families First
 Job Swap Program
 Medical and Dental Readiness
 Military Family Life Consultants
 Military One Source
 Military to Civilian Conversions

Prepare

Add-on Armor for Tactical Wheeled Vehicles
 Army Asymmetric Warfare Group
 Army Asymmetric Warfare Office
 Army Combat Training Center Program
 Army Distributed Learning Program
 Army Initiatives to Improve Irregular Warfare Capability
 Army National Guard Readiness Centers
 Army Training Support System
 ARNG Exportable Combat Training Capability
 Basic Officer Leader Course
 Biometrics
 College of the American Soldier
 Combating Weapons of Mass Destruction
 Contractor-Acquired Government-Owned Equipment
 Global Force Posture
 Interceptor Body Armor

Reset

360-Degree Logistics Readiness
 Army Equipping and Reuse Conference
 Army Sustainability
 Black Hawk Utility Helicopter
 Building Army Prepositioned Stocks
 CH-47 Medium Lift Helicopter
 Depot Maintenance Initiatives
 Equipment Reset Program

Transform

Accelerate Army Growth
 Active Component Reserve Component Rebalance
 Armed Reconnaissance Helicopter
 Army Distributed Learning Program
 Army Force Protection Division Initiative
 Army G-4 Lean Six Sigma
 Army Integrated Logistics Architecture
 Army Intelligence Transformation
 Army Leader Development Program
 Army Modernization Plan
 Army Netcentric Data Strategy
 Army Officer Education System
 Army Power Projection Platform
 Army Reserve Facility Management

Morale Welfare and Recreation
 MyArmyLifeToo
 National Security Personnel System
 Officer Retention
 Privatization of Army Lodging
 Residential Communities Initialization
 Sexual Assault Prevention
 Soldier and Family Assistance Centers
 Soldier and Family Readiness Board of Directors
 Strong Bonds
 U.S. Army Wounded Warrior Program
 U.S. CENTCOM Rest and Recuperation Leave Program
 Warrior in Transition
 Wellness Assessment and Education

Live Virtual Constructive Integrating Architecture
 Mine Resistant Ambush Protected Vehicles
 Multi-Source Assessment and Feedback Program
 Persistent Conflict
 Property Accountability
 Rapid Equipping Force
 Rapid Fielding Initiative
 Red Team Education and Training
 Robotics
 Sustainable Range Program
 Unit Combined Arms Training Strategies
 U.S. Army Combat Training Centers
 Up-Armored High-Mobility Multipurpose Wheeled Vehicle
 Warrior Tasks
 Western Army National Guard Aviation Training Site

Life Cycle Management Initiative
 Longbow Apache
 Raven Small Unmanned Aircraft System
 Retained Issue
 Retrograde
 Shadow Unmanned Aircraft System
 War Reserve Secondary Items

ARNG Chemical, Biological, Radiological, Nuclear and High-Yield-Explosive—Enhanced Response Forces
 ARNG Civil Support Teams
 ARNG Operational Support Airlift Agency
 ARNG State Partnership Program
 Barracks Modernization Program
 Base Realignment and Closure Program
 Battle Command as a Weapons System
 Campaign Quality Force
 Civil Works
 Civilian Education System
 Common Levels of Support
 Common Logistics Operating Environment

Concept Development and Experimentation	LandWarNet and the Global Information Grid
CONUS Theater Signal Command	Logistics Automation
Cultural and Foreign Language Capabilities	Major Acquisition Programs Future Combat System
Cyber Operations	MANPRINT
Defense Support to Civil Authorities	Medium Extended Air Defense System
Defense Support to Civil Authorities Special Events	Micro Electrical Mechanized Systems with RFID
Defense Support to Civil Defense Coordinating Officer	Military Construction Transformation
Digital Training Management System	Military Intelligence Capacity and Rebalance
Enhancing Joint Interdependence	Modular Force Conversion
Every Soldier is a Sensor/Human Terrain Teams	Next Generation Wireless Communications
Expeditionary Capabilities	Non-Commissioned Officer Education System
Expeditionary Contracting	Pandemic Influenza Preparation
Expeditionary Theater Opening	Persistent Surveillance
Flat Network Intelligence Access	Restructuring Army Aviation
Full Spectrum Operations	Revitalizing Army Human Intelligence
Intelligence Training	Science and Technology
Interceptor Body Armor	Single Army Logistics Enterprise
Joint Knowledge Development and Distribution	Spiral Technology and Capabilities
Joint National Training Capability Activities	Stability Operations Capabilities
Joint Precision Airdrop System	Transform
Joint Tactical Radio System	Warrior Unmanned Aircraft System
Lakota	Warfighter Information Network-Tactical (WIN-T)
<i>Other Important Information Papers Army</i>	<i>Medical Action Program</i>
Army Knowledge Online—DKO	Information Assurance and Network Security
Army Direct Ordering	Lean Six Sigma 2007
Army Environmental Programs	Organizational Clothing and Individual Equipment
Army Values	Real Estate Disposal
ARNG Agribusiness	Redeployment Process
ARNG Counterdrug	Soldier as a System
ARNG Environmental Programs	Single DOIM and Army Processing Centers
ARNG Fishing Program	Soldiers Creed
ARNG Youth Challenge	Streamline OCIE Processes
Building Partnership Capacity	U.S. Army Combat Training Center Program
Civilian Corps Creed	U.S. Army North
CONUS Theater Signal Command	Warrior Ethos
Energy Strategy	Western Hemisphere Institute for Security Cooperation
Fixed Regional Hub Nodes	
Funds Control Module	
General Fund Enterprise Business System	
Institutional Training	

ADDENDUM C—WEBSITES

Army Business Transformation Knowledge Center: This site provides information on Army Business Transformation.
<http://www.army.mil/ArmyBTKC/index.htm>

Army Center Capabilities and Information Center (ARCIC): This site provides background on ARC IC.
<http://www.arcic.army.mil>

Army Logistics Transformation Agency: This site provides information on Army logistics transformation.
<http://www.lta.army.mil>

Army Medicine: This site provides information on Army medical programs.
<http://www.armymedicine.army.mil>

Army Modernization Plan: This site provides a detailed overview of the Army's organizational and materiel modernization efforts.
<http://www.army.mil/features/MODPlan/2006/>

Army National Guard: This site provides information about the Army National Guard.

<http://www.arng.army.mil>
 Army Posture Statement: This site provides the web-based version of the Army Posture Statement which includes amplifying information not found in the print version.

<http://www.army.mil/aps>
 Army Sustainability: This site provides information on Army sustainability efforts.

<http://www.sustainability.army.mil>
 Army Training and Doctrine Command (TRADOC): This site provides background on TRADOC.

<http://www.tradoc.army.mil>
 Army Website: This site is the most visited military website in the world, averaging about seven million visitors per month or 250 hits per second. It provides news, features, imagery, and references.

<http://www.army.mil>
 Army Wounded Warrior Program: This site provides information on the Army's Wounded Warrior Program which provides support for severely wounded Soldiers and their Families.

<https://www.aw2.army.mil/>
 Chief Information Officer, CIO/G-6: This site provides information on Army information operations.

<http://www.army.mil/ciog6/>
 Deputy Chief of Staff for Intelligence, G-2: This site provides information on Army Intelligence initiatives.

<http://www.dami.army.pentagon.mil>
 Deputy Chief of Staff for Logistics, G-4: This site provides information on Army logistics.

<http://www.hqda.army.mil/logweb/>
 Deputy Chief of Staff for Operations, Plans, and Policy, G-3/5/7: This site provides information on Army operations, policies and plans.

<http://www.g357extranet.army.pentagon.mil/#>
 Deputy Chief of Staff for Personnel, G-1: This site provides information on personnel issues.

<http://www.armyg1.army.mil>
 Deputy Chief of Staff for Programs: This site provides information on materiel integration.

<http://www.g8.army.mil>
 Future Combat Systems: This site provides information on the Future Combat Systems program.

<http://www.army.mil/fcs>
 My ArmyLifeToo Web Portal: This site serves as an entry point to the Army Integrated Family Support Network (AIFSN).

<http://www.myarmylifetoo.com>
 United States Army Reserve: Provides information about the Army Reserve.

<http://www.armyreserve.army.mil/usar/home>
 Western Hemisphere Institute for Security Cooperation (WHINSEC): This site provides the history and overview of WHINSEC.

<https://www.infantry.army.mil/WHINSEC/>

ADDENDUM D—ACRONYMS AND INITIALIZATIONS

AC—Active Component
 ACOM—Army Command
 AMC—Army Materiel Command
 APOE—Aerial Port of Embarkation
 APS—Army Prepositioned Stocks
 ARFORGEN—Army Force Generation
 ARI—Army Research Institute
 ARNG—Army National Guard
 ASC—Army Sustainment Command
 ASCC—Army Service Component Command
 ASV—Armored Security Vehicle
 AW2—U.S. Army Wounded Warrior Program
 BCT—Brigade Combat Team
 BfSB—Battlefield Surveillance Brigade
 BOLC—Basic Officer Leader Course
 BRAC—Base Realignment and Closure
 BT—Business Transformation

CBRN—Chemical, Biological, Radiological, and Nuclear
 CBRNE—Chemical, Biological, Radiological, Nuclear and High Yield Explosives
 CES—Civilian Education System
 CM—Consequence Management
 COIN—Counterinsurgency
 CPI—Continuous Process Improvement
 CS—Combat Support
 CSS—Combat Service Support
 CT—Counter Terrorist
 CTC—Combat Training Center
 CWMD—Combating Weapons of Mass Destruction
 DCGS-A—Distributed Common Ground System—Army
 DMDC—Defense Manpower Data Center
 DOD—Department of Defense
 ES2—Every Soldier a Sensor
 FCS—Future Combat Systems
 FTS—Full Time Support
 GBIAD—Ground Based Integrated Air Defense
 GCSC-A—Global Combat Service Support—Army
 GDP—Gross Domestic Product
 GDPR—Global Defense Posture Review
 GFEBs—General Fund Enterprise Business System
 GWOT—Global War on Terrorism
 HMMWV—High Mobility Multipurpose Wheeled Vehicle
 HSDG—High School Diploma Graduates
 HST—Home Station Training
 HUMINT—Human Intelligence
 IBA—Improved Body Armor
 IED—Improvised Explosive Device
 ISR—Intelligence, Surveillance, and Reconnaissance
 IT—Information Technology
 JIEDDO—Joint Improvised Explosive Device Defeat Organization
 JIOC-I—Joint Intelligence Operations Capability—Iraq
 JTF—Joint Task Force
 LMP—Logistics Modernization Program
 LSS—Lean Six Sigma
 METL—Mission Essential Task List
 MFO—Multinational Force and Observers
 MI—Military Intelligence
 NCO—Non-Commissioned Officer
 NDAA—National Defense Authorization Act
 OA&D—Organizational Analysis and Design
 OEF—Operation Enduring Freedom
 OIF—Operation Iraqi Freedom
 OPTEMPO—Operational Tempo
 O&M—Operations and Maintenance
 PLM +—Product Lifecycle Management Plus
 QDR—Quadrennial Defense Review
 RC—Reserve Component
 RCI—Residential Communities Initiative
 RDA—Research, Development, and Acquisition
 REF—Rapid Equipping Force
 RFI—Rapid Fielding Initiative
 SDDC—Surface Deployment and Distribution Command
 SIGINT—Signals Intelligence
 SMS—Strategic Management System
 TPFDD—Time Phased Force Deployment Data
 QOL—Quality of Life
 UAS—Unmanned Aerial Systems
 USAR—United States Army Reserve
 VA—Veterans Affairs
 WMD—Weapons of Mass Destruction

Senator INOUE. And now, may I call upon General Casey?

STATEMENT OF GENERAL GEORGE W. CASEY, JR.

General CASEY. Thank you, Mr. Chairman, Senator Stevens. Thank you. Very good. Thank you, Senator Inouye, Senator Stevens, members of the subcommittee.

It is my first appearance here, and I do welcome the opportunity to speak with you today and to provide some context for this fiscal year 2009 budget that we're presenting to you today.

Our country is in our seventh year at war, and your Army remains fully engaged around the world and at home. I believe, as the Secretary mentioned, that we are in and will be in a decade or so of what I call "persistent conflict." And I define persistent conflict as a period of protracted confrontation among state, non-state, and individual actors who are increasingly willing to use violence to accomplish their political and ideological objectives.

And as I look to the future, that is what I see for us, and that's the future that I believe that we as an Army and we as a Nation need to prepare for. Now, on top of that, as I look at the international security environment, I see some trends that will actually exacerbate and prolong this period of persistent conflict.

For example, globalization. There is no question that globalization is having positive impacts around the world. But unfortunately, those positive impacts are unevenly distributed, and it's creating an environment of have and have-not states. And if you look primarily south of the equator—South America, Africa, Middle East, South Asia—you see what I mean. And what happens is that these have-nots states create fertile recruiting bases for global extremist groups.

Technology is another double-edged sword. The same technology that is pushing knowledge to anyone in the world with a computer is being used by terrorists to export terror around the world.

Demographics are going in the wrong direction. But, by some estimates, some of these developing countries are expected to double in population in the next 10 to 20 years, and some projections are that 60 percent of the world's populations are going to live in these sprawling cities in 10 or 20 years. That will create, again, breeding grounds for extremist recruitment.

Two trends that worry me the most? Weapons of mass destruction. We know there's over 1,200 terrorist groups around the world. Most, if not all of them, are working hard to get weapons of mass destruction. And there's no question in my mind that if they get them they will intend to use them against a developed country.

And the second thing that worries me the most are safe havens. Ungoverned space or states that allow terrorists to operate from their territory that can be used to plan and export terrorist operations, much like we saw in Afghanistan.

So facing that future, and having been at war for 7 years, we believe that our Army must be versatile enough to adapt to the rapidly—rapidly to the unexpected circumstances that we'll face. And we are building, and have been building, an agile, campaign-capable, expeditionary Army that we believe can deal with these challenges.

Now, as the Secretary said, the cumulative effects of 6-plus years at war have put us out of balance. Let me just describe what I

mean by that. Basically, the current demands on our forces exceed the sustainable supply. And we're consumed with meeting our current requirements, and as a result are unable to provide forces as rapidly as we would like for other things, and we're unable to do the things we know we need to do to sustain this magnificent all-volunteer force.

Our reserve components are performing magnificently, but in an operational role for which they were neither organized nor resourced. The limited periods of time between deployments necessitate that we focus on counter insurgency training at the expense of training for the full spectrum of operations. Our soldiers, our families, our support systems, and our equipment are stretched by the demands of these repeated deployments. So, as the Secretary said, overall we're consuming our readiness just as fast as we can go.

Now, I wrestled hard to find the right words to describe the state of the Army. Because it isn't broken, it isn't hollow, it's a hugely competent, professional, and combat-seasoned force. But, as I think we all acknowledge, we are not where we need to be. Now, with your help, Mr. Chairman, we have a plan to restore balance and preserve this all-volunteer force and restore the necessary breadth and depth to Army capabilities.

And we've come up with four imperatives that we believe that we need to execute to put ourselves back in balance—sustain, prepare, reset and transform. Let me just say a few words about each of them.

First and foremost, we have to sustain our soldiers, families, and civilians. They are the heart and soul of this Army. And they must be supported in a way that recognizes the quality of their service. The Secretary mentioned some of the initiatives that we're taking, and these will continue with your support.

Now, second, prepared. We cannot back away from our commitment to continue to prepare our soldiers for success in this current conflict and give them the tools that they need to be successful. They must have an asymmetric advantage over any enemy that they face.

Third is reset. And reset is about returning our soldiers and their equipment to appropriate conditions for future deployments and contingencies. In fiscal year 2007, you provided us the resources to properly reset the force. And, as a result, we've made significant strides in putting capabilities and systems into the force. But resources for reset are the difference between a hollow force and a versatile force for the future.

And last, transform. Several of you mentioned—the chairman and the co-chairman mentioned—that even as we're working to put ourselves back in balance, we can't take our eyes off the future, and we thoroughly agree with that. We must continue to transform our Army into an agile campaign-quality expeditionary force for the 21st century.

And for us, transformation is a holistic effort. It's adapting how we train, how we fight, how we modernize, how we develop leaders, and how we take care of our soldiers and families.

To guide our transformation, we're releasing the first adaptation of our Basic Operations Doctrine since September 11, 2001—Field

Manual 3 (FM3) Operations. We expect this to guide our transformation and it describes—one, how we see the future security environment, and two, how we believe Army forces should operate for success in that environment. Let me just give you five key elements that are represented here in this manual.

First, it describes the complex and multidimensional operational environment of the 21st century. An environment where we think war will increasingly be fought among the people.

Now, second, this manual elevates stability operations to the level of offense and defense. And in the core of it is an operational concept called Full Spectrum Operations. Army formations apply offense, defense, and stability operations simultaneously to seize the initiative and achieve decisive results.

Third, it describes a commander's role in battle command that is an intellectual process, more designed to solving developing solutions for the tough, complex problems our commanders will face, than a military decisionmaking process to prepare operations orders.

Fourth, it emphasizes the importance of information superiority in modern conflict.

And last, it acknowledges that our soldiers, even in this 21st century environment, remain the centerpiece of our formations.

So we believe this doctrine is a great starting point on which to build on the experience of the last 7 years and to shape our Army for the future. So that's our plan Senators—sustain, prepare, reset, and transform.

In the last 2 years, you have given us the resources to begin this process for putting the Army back in balance. The fiscal year 2009 budget, the war on terrorism supplemental that will accompany it, and the balance of the 2008 war on terrorism supplemental will allow that process to continue.

We certainly appreciate your support. And I want to assure you that we have worked very hard to put the resources that you have given us here to good use. And let me just give you a couple of examples.

First, we've made great strides through the Army Medical Action Plan in improving care to our wounded warriors.

Second, we've initiated an Army Soldier Family Action Plan to improve the quality of support for our families.

Third, we are over 60 percent through our conversion to modular organizations. This is the largest organizational transformation of the Army since World War II, and these formations that we're building are 21st century formations. I've seen the power of them on the ground in Baghdad.

We're also over 60 percent complete a rebalancing of 120,000 soldiers from skills we needed in the cold war to skills more relevant to the 21st century. We've reset 120,000 pieces of equipment. We've privatized more than 4,000 homes just last year, giving us over 80,000 privatized homes for our soldiers and families. And the depots of our Army Materiel Command have won industry prizes for efficiency. They won 12 of what they call Shingo Awards from commercial industry for their efficiency.

So, as you can see, we are not sitting still, and we are working hard to give the Nation the Army it needs for the 21st century.

Now, let me just close here, Senators, with a story about quality, because I get—and I suspect will get today—questions on the quality of the Army. I was up in Alaska in December right before Christmas, and I had the occasion to present a Distinguished Service Cross to a sergeant. This was Sergeant Greg Williams.

He was on a patrol with his Stryker in Baghdad in October 2006. That patrol came into an ambush. And they were taken under fire from three different directions and with four explosively formed penetrator Improved Explosive Devices (IEDs). And those are the armor piercing IEDs that can be very, very lethal to our forces. They all struck simultaneously.

He was knocked out, eardrum burst. He awoke to find his uniform on fire, and his Stryker on fire. He put his uniform out. His first instincts? Grab the aid bag and start treating my fellow soldiers. He did that. He didn't realize that his lieutenant was still in the burning vehicle. He ran back in the burning vehicle, dragged the lieutenant to safety, still under fire.

He was returning fire when he realized that the .50 caliber machine gun on the Stryker was not being manned. That was the most potent weapon in the squad. He ran back in the burning vehicle which, oh by the way, still contained about 30 pounds of TNT and detonating cord. He got on the .50 caliber, brought it to bear, broke the ambush, and the squad escaped.

Now, that's the type of men and women that we have in the Army today. And you can be extremely proud of the job they're doing around the world, while our success in the future will require more than the courage and valor of our soldiers to ensure that we can continue to fight and win the Nation's wars in an era of persistent conflict.

It will require recognition by national leaders, like yourselves, of the challenges that America faces in the years ahead. And it will require full, timely, and predictable funding to ensure that the Army is prepared to defeat those threats and to preserve our way of life.

So thank you very much for your attention. And the Secretary and I will be very glad to take your questions.

CONTRACTOR PERSONNEL

Senator INOUE. I thank you very much, General. And thank you, Secretary. Mr. Secretary, to the credit of the United States Army, last September commissioned a special investigating commission to look into acquisitions, personnel—especially contracting personnel—the so-called Gansler Commission.

And together with the Government Accountability Office (GAO) reports and other Army reviews that were conducted under your supervision, have all noted the need for more numbers of sufficiently trained contract oversight personnel, and the need for specialized training in contracting in expeditionary operations.

The Gansler report, for example, highlighted that only 56 percent of the military officers and 53 percent of civilians in the contracting career are certified for their current positions. What steps are we taking now?

Mr. GEREN. We've made great progress since that time. When I commissioned the Gansler report, I also commissioned a task force,

and the job of the task force was to do everything we could do immediately, and not wait until the commission finished. And the task force and the Gansler Commission worked hand-in-hand over the course of the couple months that it took Dr. Gansler to produce his report.

But we've taken the recommendations of that commission as a blueprint for building the contracting force that we need for the future. We've established a two-star contracting command, as recommended by Dr. Gansler. Unfortunately, and as we tried to implement many of his recommendations, we don't have the deep bench in contracting in order to fill these positions.

But we created a two-star contracting command, which temporarily is filled by an SES two-star equivalent. We've created a one-star command for expeditionary contracting, and we've created another one-star command for installation contracting, and we've set up seven contracting brigades so it gives us seven O6 colonel-level positions.

So we can start building a bench, so people that are in the contracting community in our Army have a future in the Army. We also have instructed our selection boards to take into consideration the contracting experience as they promote officers. We have made great progress. We also have added 400 additional personnel into contracting, and are seeking to add another 800 into it, and building training programs along the way.

The fact is, we have had a very empty bench in the contracting area. Dr. Gansler did a good job of laying out blueprints of where we need to go. But over the course of the 1990s and in the early parts of this century, we allowed our contracting capability to wither. And when we look at the Army of the future, the deployable Army of the future, it is always going to deploy with a very significant support from contractors. Dr. Gansler estimated from here on it will always be about 50/50—50 percent uniformed military, 50 percent contractors.

So we need to have in our Army people who are trained to supervise, trained to execute, and trained to operate the acquisition and contracting side. We've taken steps. It's going to be a multiyear process to get us back to where we need to be, and be something that we're starting in a hole, but we're making progress.

Senator INOUE. We have been advised that the Army's Criminal Investigation Division has 90 ongoing investigations in Iraq, Kuwait, and Afghanistan, and that 24 U.S. citizens, including 19 civilian or military officials, have been indicted or convicted. And the contracts involved in the investigations have a potential value of more than \$6 billion.

The Army has identified more than \$15 million in bribes, and more than \$17 million levied in fines or forfeitures. Can you give us a current situation?

Mr. GEREN. Sir, the statistics that you cited, they are accurate. And last summer, it was recognition of the problem in Kuwait that led me to set up the task force and to establish the Gansler Commission.

We have doubled the personnel over in Kuwait. We have taken many of the contracts that were in Kuwait, up to 18,000 of them, and used reach-back capabilities here in the United States to re-

view all those contracts. We've already achieved significant savings in excess of \$10 million.

We've put new leadership over there. We have a colonel running the operation, who has got the operation in shipshape. We've given him the personnel he needs, we've given him the trained people that he needs, and we're providing support here back at home.

The Kuwait Contracting Office was not properly staffed and not properly trained to accommodate—to handle the huge volume of contracts that were going through that office. The number of contracts in Kuwait quintupled, and we did not staff up to meet that. Last summer, in recognition of that, we completely overhauled the operation, put in new leadership, and supported it with reach-back capabilities here. I believe we have it in hand today.

It's a sad day for the Army that we have seen that kind of criminal conduct, both by civilians and senior leaders of our military. It's a very black mark on our Army, but we have taken steps to correct it. And I believe today you would be satisfied with the operation we have in Kuwait.

Senator INOUE. So you're satisfied that it's under control?

Mr. GEREN. Yes, sir. I am.

RECRUITING AND RETENTION

Senator INOUE. I have one more question here on the DOD recruiting. We set a quality benchmark up until now of 90 percent high school grads. I've been told that in fiscal year 2007, less than 80 percent of the recruits had high school diplomas, which is a 2 percent decrease from 2006.

What is the Army doing to address this problem?

Mr. GEREN. The Secretary of Defense's goal for high school diploma grads is 90 percent. It's important to note, though, every soldier that we bring into the Army has a high school diploma or a high school equivalent. They are either a diploma grad or a GED.

But we did fall below our goals in 2007, and we've made a commitment that, as we work to grow the force and accelerate the growth of the force, that we will not fall below the 2006 quality marks. And we're taking a number of steps in order to improve the quality marks. I think some of the recruiting initiatives that are going to help us in that regard. We are still above the congressional requirements in those areas, but we're not where we need to be.

But I think when you look at—we try to use those quality indicators as predictors of whether or not a young man or young woman will succeed in the Army. As you see also, we've increased the number of waivers of young men and women that we bring in the Army, for a variety of reasons. We've found that those soldiers we bring in under waivers—and it's a very painstaking and labor intensive process—but every soldier that we bring in under a waiver is required to go through a 10-step approval process.

And somebody with any sort of serious information in his or her past has to be reviewed by a general officer. We've found that those waived soldiers—and we did a study of all 17,000 waived soldiers that came in from 2001 to 2006—and we've done a good job of picking those soldiers out of the many applicants that seek to join the Army.

They've proven to promote faster than those who came in through the normal process. They've had more awards for valor than those who came in outside of the waiver process. They have re-enlisted at a higher rate. And even though some think, because they're waivers they're lesser quality, this process that we use to pick through all those who seek waivers and identify ones who are qualified to join the Army, has really been a success.

So that's an area that we have had a lot of questions about, but when we examined it, it showed that we were finding soldiers that were performing well.

But I think one of the most important things to keep in mind when we think about recruits, we are an Army at war. We are a Nation at war. And a lot of intangibles go into determining whether or not a young man or young woman is going to be a good soldier. But commitment, and commitment to selfless service, has to be at the top of the list.

And every young man or woman that joins the Army today knows they're joining an Army at war. 170,000 of them joined an Army at war this last year. And we are not where we want to be on high school diploma grads, but that's the screening—that's the bottom line that everybody has to pass when they join the Army today. And I think that's helped us get the kind of young men and women that make good soldiers.

But we're working to try to meet those quality marks. I can't tell you we'll do it in 2008, but I can tell you we're not going to let it drop below where we were in 2006.

Senator INOUE. Thank you very much, Mr. Secretary, and your statement and response is most reassuring. Senator Stevens.

FACILITIES TO SUPPORT GROW THE ARMY

Senator STEVENS. Thank you very much. I do have some questions I'll submit for the record. But, Mr. Secretary, we're looking at adding 65,000 new troops within 4 years, it looks like, and that goal seems to be doable. But what about the facilities that we have to have for those people? Most of them now are married and they're all volunteers. Are we keeping up with the facilities requirement for 65,000 new people?

Mr. GEREN. We are. And we budgeted fully for all the costs and all the facilities for that 65,000 growth. And we've added—in order to speed up that growth, move it from 2012 to 2010—we have added money in our supplemental requests. But we have in the base budget \$70 billion over the future years' defense programs to cover the cost of bringing those soldiers and their families into the Army. And we believe that we can do it.

Now, in order to accomplish that, we need to have timely and predictable funding. And particularly in the military construction area, over the last several years, the delays in getting the funding to the Army have made synchronization of some of these construction programs a challenge. And, as you know, a continuing resolution also fails to give us the authorities for new starts that we need.

So we're having to manage a system that requires a lot of synchronization without having the kind of predictability in funding. But we do have the money in the budget to do it, and we're on

track to do it. But, last year, also, we had a \$560 million cut from our base realignment and closure (BRAC) budget. So those hiccups along the way make the planning and the synchronization a challenge. But we do have the money in the budget to do it.

ENLISTMENT WAIVERS

Senator STEVENS. You've mentioned this problem of these waivers. When I was home last week, I found and sent—General Casey was up there—I found that the dropout rate in our high schools is increasing, but a large number of those people are going into the National Guard Challenge Program. They really want to get into uniform. They're the people of 17 and 18 years old that don't want to finish high school. They really want to go into the service.

You do have an age barrier there in terms of enlistment, right? They have to be at least 18?

Mr. GEREN. Well, you can actually sign up when you're 17.

Senator STEVENS. You can.

Mr. GEREN. Uh-huh.

Senator STEVENS. But you have to have a GED or a high school diploma, right?

Mr. GEREN. Yes, sir. Uh-huh. And we—

Senator STEVENS. What do you do about these people coming in from the Guard's Challenge Program? Do they come in automatically? Is a GED automatic for that program?

Mr. GEREN. Well, as I understand the Guard program, they go through the Challenge and they earn a GED. The active Guard and Reserve, we're all working on innovative programs to try to provide additional educational opportunities for young men and women who want to join the Army. The dropout rate is a serious problem, and it varies across the country. There are certain States where we have a very high dropout rate, and many of those States are States where people have a high propensity to join the military.

So we are coming up with plans that I think will really bear fruit over the next several years, where we try to get these young people who have good aptitude, and they want to serve, and help them get their GED, or in some cases, help them stay in school and get their high school diploma.

As an Army, as we look to the future, and we look to large segments of the population that are not finishing high school, many of them could be contributors in our Army or other places. We're trying to help our society as a whole get these young people educated, and the Guard has been very innovative in that area. And the active duty has learned some good ideas from them, and we're implementing them.

Other issues, too, that are going to affect the long-term—obesity. You look at these long-term trends, young people, unfortunately, aren't as physically fit. And so we've got a lot of challenges like that. High school diploma grads in certain parts of the country, obesity in certain parts of the country—they're challenges that, as the Army looks 10 years down the road, that we're going to have to be very creative in figuring out ways to identify the young people who can succeed in the Army that may fall outside of the metrics that we've looked at in the past.

LANGUAGE TRAINING

Senator STEVENS. General Casey, Senator Inouye—and I were on a trip over to the Philippines one time, at Mindanao, and we found your people training some of the Philippine soldiers on how to deal with al Qaeda and the terrorists that are apparently in some of those islands.

It raised a question with me as to whether or not we ought to have greater training in terms of languages within the Army. What are we doing about preparing our people to deal with these languages? That was one of the stumbling blocks in Iraq, and certainly been a stumbling block in Afghanistan. As we go into this 21st century Army, are we going to emphasize language training anymore?

General CASEY. We absolutely have to do that. And just as an aside, Senator, the young man, Sergeant Greg Williams, who I mentioned earlier in my opening comments, I found out while I was up in Alaska last weekend that he's actually in the Philippines right now helping train some of those Philippine Army soldiers.

You're absolutely right. We need to greatly increase what we're doing to prepare our soldiers to deal in these other cultures. We have several levels that we're working on now. First of all, our foreign area officers and our linguists who require a skill are about a small percentage of our force. They get first-rate quality training, and obviously they're getting a lot of experience on the ground in Iraq and Afghanistan.

The second program that we've begun here is operational language testing where we take soldiers who are getting ready to deploy, for example, to Iraq or Afghanistan, and send a number of them off to Defense Language Institute for about 10 months. And they get a good dipping in the local language.

Third, for the bulk of the soldiers that are deploying, there is some basic language training in the commands and things they need to operate in the environment they're operating with. And we're working with some industries to develop these translators where you can just put in a phrase, hit a button, and it comes out in another language. But those are a few more years out.

We're also looking at language requirements for officers and how we should adapt our policies for our, for example, ROTC scholarship graduates. And I have instructed my training and doctrine commanders responsible for these initiatives to come back in about the next several months here and give us a complete laydown on a holistic policy.

But we are moving. We are not going as fast as I would like us to go, because I believe, as you do, that it's critical for our soldiers, if we're going to work in these other cultures, to have the basic understanding of the languages they are dealing in.

Senator STEVENS. Well, I was interested in what Secretary Geren just said, because if you look at these school districts now, I think we're teaching in high schools in Anchorage some 40 different languages right now. I don't think we're taking advantage of the multicultural situation in many parts of our country.

Some of those students could be trained in the language that you need, as easy as anything else. It is a variance thing. I've got to

tell you, personally, I don't agree with it. I think we ought to teach all our kids in the English language, but we still have the problem of doing that in terms of some of the newcomers. I would hope—let me ask just one last question, Mr. Chairman.

RESET

It is my understanding that the reset program for the 4th of the 25th up there in Fort Richardson was a model. It was sort of a pilot project. What have you learned from the pilot project as far as reset is concerned? It is my understanding, they were reset at home. They were brought home for reset, instead of stopping off in someplace on the way home.

General CASEY. Right. What we're trying to do here is to come up with a standardized, 6-month reset model for Army units. So when they come back from an extended deployment, they have time to rest. But at the same time, they are put back in a deployable posture in 6 months, so they're ready to either begin training for whatever's next or to deploy again.

And to do that, it requires doing our personnel and equipment policies differently. So, yes, what did we learn from the 4/25th up there in Alaska? When I went up there to talk to them this last week, the biggest concern they had was that we had some difficulty with our personnel policies.

They needed assignment orders for about 400 or 500 folks they were having difficulty getting. And so I sent a team from the Department up there to sort that out, and they're up there now doing that this week.

The other thing that we're doing is our Training and Doctrine Command has developed programs of instruction for our non-commissioned officer education programs that are about 60 days. That took a lot of doing, because there are a lot of different skill sets required. But all but a handful now are done within about 60 days.

And for the large populations of those skills, we're able to deploy teams to their home station. So it's kind of what you suggested, Senator, that they were reset at home. Where we send trainers up to Alaska, for example, they conduct the training that used to be conducted back in the lower United States right on home station. So our soldiers are coming home after being gone for 12 to 15 months, and don't have to pack up and go off for 60 days again. So we're not doing that for every skill set, but that's part of the overall reset program.

The equipment side of things, they reported, was going pretty well. Now, they were able to send some of the equipment off from Iraq that went directly to depots, and will return to them before the 6 months is up. And we have small-armored pair teams, for example, that come from our Army Materiel Command, and they spend several weeks in the brigade fixing all the weapons that had been used over the time that they'd been deployed.

So I'm heartened by it. I think it's going to be useful to us as an Army. And it will help us sustain the quality of life for these soldiers and families, and at the same time get us back to its efficient level of readiness rapidly.

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

Senator INOUE. Thank you. Senator Shelby.

Senator SHELBY. Thank you, Mr. Chairman, Secretary Geren, General Casey. We all appreciate your service to the Nation.

PROGRESS IN IRAQ

General Casey, could you bring us up to date on where we are from your perspective as Chief of Staff of the Army, former Commander in Iraq, where we are today, February 2008, and where you believe we will be at the end of the year?

General CASEY. In Iraq or here?

Senator SHELBY. In Iraq.

General CASEY. That's really a question for General Petraeus, and he's coming back here in April. I, like everyone, have been waiting to hear where he thinks he's going to be able to get to by April.

Senator SHELBY. Well, what do you believe? I mean, you're the Chief of Staff of the Army.

We've seen progress being made.

General CASEY. We certainly—

Senator SHELBY. We've certainly seen a lot of progress. We've seen a lot more stability that we had. It's not a stable area, but a lot more than we had 1 year ago. We've seen great progress with the surge. So from—you're the former commander, you're the Chief of Staff of the Army. From your perspective?

General CASEY. I think from a security perspective—

Senator SHELBY. Uh-huh.

General CASEY [continuing]. It's difficult to predict the future, but I think we will see continued improvement in the capabilities of the Iraqi Security Forces. That's been a constant trend.

Senator SHELBY. That would include the Army and the police?

General CASEY. Army and the police. That's correct. I think our forces will continue to be successful. I mean, that has never been at question. Our soldiers are the best in the world at what they do, and their ability to provide security has never been in question.

I don't have as good a view on the political side as I used to. I can't follow it as closely.

Senator SHELBY. I understand that.

General CASEY. And that's really where the long-term progress in Iraq is going to be sustained.

Senator SHELBY. It's got to have a political—ultimately, a big part of the equation there. Is that correct?

General CASEY. Oh, absolutely. I think we've all said, time and again, that there is not a strictly military solution to this problem or the one in Afghanistan.

PROGRESS IN AFGHANISTAN

Senator SHELBY. Well, over to Afghanistan. A lot of us are concerned about the resurgence of the Taliban. It looks like some of our allies perhaps are getting a little soft on their commitments to us and others in Afghanistan. I see Afghanistan is possibly at risk down the road if things don't change.

General CASEY. I'm—

Senator SHELBY. I don't think they've gotten better in the last year, in other words.

General CASEY. When I talked to General McNeil—

Senator SHELBY. Uh-huh.

General CASEY [continuing]. The NATO commander there, and General Rodriguez, they both believed that they are making progress and have made progress over the last years. I mean, I think, you've heard Secretary Gates has been quite vocal about what our NATO allies have not provided. And I think that's fairly common knowledge.

Senator SHELBY. General Casey, shifting back to equipment, and what our troops need, and what they use—UAVs. How important is it to the Army to have control in the tactical use of UAVs? General Petraeus told me in Iraq it's of the utmost importance.

General CASEY. It's absolutely, absolutely critical. And I have met with General Mosley—

Senator SHELBY. Uh-huh.

General CASEY [continuing]. Twice here. Once with my training and doctrine commander and his air combat commander, just the four of us. And then we had the first Army/Air Force staff talks in 5 years, where we had all of our three stars together.

And the outcome of that session was that we agreed that in the three levels of war—tactical, operation, and strategic—that the Army had to have control at the tactical level, that the Air Force needed control at the strategic level—

Senator SHELBY. Sure.

General CASEY [continuing]. And that the level that we shared, the operational level, we needed to work and build a joint concept of operations for how we would operate effectively there at the operational level, which is really the theater level.

Senator SHELBY. Absolutely.

General CASEY. And I think we have a team working on that, and they'll come back to General Mosley and I here in 1 month or so.

Senator SHELBY. I believe the marines and the Navy share the same position you do on that. Right?

General CASEY. That's correct. Yeah. We've also had a session with the Commandant of the Marine Corps and his three stars where we discussed the same thing.

Senator SHELBY. I'll try to be quick on this. Secretary Geren, JAGM, formerly the JCM, the joint air-to-ground missile, I understand that the request for proposals has not come out yet? When do you expect that to come?

Mr. GEREN. I don't know. Let me get back to you.

Senator SHELBY. Will you get back to the subcommittee and to me on that?

Mr. GEREN. I sure will.

Senator SHELBY. That's a very important program for the future, is it not?

Mr. GEREN. It certainly is. I'll get back with you with that information.

[The information follows:]

JOINT-AIR-TO-GROUND MISSILE REQUEST FOR PROPOSAL RELEASE DATE

The Joint-Air-To-Ground Missile (JAGM) Request for Proposal (RFP) Phase 1 (Technology Demonstration) was approved for release on March 5, 2008 by Major General James R. Myles, Commanding General of the U.S. Army Aviation and Missile Command (AMCOM).

FUTURE COMBAT SYSTEMS

Senator SHELBY. What about you had mentioned the future combat systems, where we're going to be in the future? How important is the future combat system to the Army? General Casey might want to pick up on that.

General CASEY. It is the core of our modernization efforts. As you know, it is our only modernization program in the last 20 years. I will tell you, as I have looked at warfare in the 21st century, the future combat system is a full-spectrum combat system. It's capable at the high-end at major conventional war.

And because of the unmanned aerial vehicles and unmanned ground sensors, it gives us a great capability to collect precise intelligence, which is absolutely required when you're operating among the people in environments like Iraq and Afghanistan.

Now, in conventional war, you may be looking for the second echelon army, which is pretty easy to—relatively easy to find. In Iraq and Afghanistan, you're trying to find a terrorist on the sixth floor of a high-rise apartment building. That requires very precise and persistent intelligence capabilities, like you said, like you have in UAVs and the sensors.

So it is the core of our modernization efforts. It's a full-spectrum system. And it's the type of system we need in the 21st century.

Senator SHELBY. Thank you. Thank you, Mr. Chairman. Senator Inouye: Thank you. Senator Domenici.

Senator DOMENICI. Thank you very much, Mr. Chairman, and thanks to the two of you for coming and answering honestly to us here today.

AN OUT OF BALANCE ARMY

General, I didn't write down the words, but both you and the Secretary used words to describe the current situation of our military as being out of focus.

Mr. GEREN. Out of balance, right.

Senator DOMENICI. Yeah. That could be very fairly serious if we don't get it fixed as soon as possible. Right?

Mr. GEREN. That is correct. And it is going to take us 3 or 4 years to put ourselves back in balance. And I think that's important that everyone understand that. That when we get out of balance, it is not an immediate fix.

Senator DOMENICI. What is it that is out of balance, and how do you describe its impact on the military?

Mr. GEREN. Well, as I said, first, we're—the current demands exceed our sustainable—our ability to sustain. In other words, we strive to have a level where our soldier deploys for 1 year and is home for 3 years. We're not there. They're deploying for 15 months and home for 1 month.

And as we grow, as we increase the size of the Army, and as the demand comes down to the 15 brigade combat teams in Iraq that

we expect to have in by July, you will gradually see that ratio of boots on the ground, the time at home, improve. And that has to happen. That has to happen.

Our soldiers and leaders need to see that over time they won't be deploying for 15 months and home for 12 months. That's just not the sustainable.

Senator DOMENICI. All right. And, Mr. Secretary, the money to try to bring that balance is appropriate to fund at this time and it's in the budget, right?

Mr. GEREN. It is. If we can stay on track that we—and a lot of it, though, it depends upon what the demand from theater is. And we don't have any control over that, but—

Senator DOMENICI. You mean if the ground changes under you, then you aren't going to make as much headway in this balancing as you might expect. Is that what you're talking about?

Mr. GEREN. That's right.

EDUCATION

Senator DOMENICI. All right. In terms of the educational capacity of the military, let me talk 1 minute with you about the schools within the military. I understood that one thing you were excellent at was educating the people in new languages.

Is that still correct? Are you—is the United States military one of the superior educators in foreign languages that we have in our country?

Mr. GEREN. We do have excellent language training.

Senator DOMENICI. You spoke about educational needs with one of our Senators, and I think it was Senator Stevens. I didn't hear either of you say that we are dramatically increasing our educational capacity to make up for deficiencies of those of who are coming in or the needs for those coming in to know languages.

Did I miss something, or are we increasing our capacity to be educators in the military?

Mr. GEREN. We're broadening the language instruction in the Army and looking at ways to incentivize language instruction in our ROTC students. We are not where we need to be. We're trying to have more soldiers, both educated in culture of other countries, as well as languages of other countries.

But we recognize the need for that and are putting more resources into those areas, and trying to provide training to more soldiers in languages and in foreign cultures, as well.

Senator DOMENICI. I sensed that when you were speaking with Senator Stevens about recruits, and whether they had to have GEDs, or whether they had to be high school graduates, and the fact that there were just a number of so-called dropouts in America that really wanted to be in the military.

Do you find that if they have a high school diploma they are more apt to be able to meet the demands that you place upon them? Or does the fact that they want to be in the military supply for that deficiency in education?

Mr. GEREN. Well, everybody that comes in has to have either a diploma equivalent or a diploma. The diploma has—we consider it a quality mark, and also a measure of the attrition possibility of

a young person. We have seen that if somebody finishes high school, they tend to show determination to stick with tasks.

But we have found that in many cases, and the quality high school education varies a lot across the Nation, and varies a lot within States, that we have many young men and women who are high school diploma grads who don't score as well on the aptitude tests as some of the young people we bring in who are not high school diploma grads.

So we—when we look at aptitude, our aptitude test we feel are good indicators of somebody's ability to succeed in the Army.

ENGINEER BATTALION AT WSMR

Senator DOMENICI. Can I change to a parochial issue? And I hope I have time for it. And, if not, I'll just submit it. Last spring, the Army announced, as part of the President's Grow the Army Plan, an engineering battalion would be located at White Sands Missile Range (WSMR) in New Mexico. Do you know the status of that relocation?

Mr. GEREN. I do not.

General CASEY. I do. We're on track, Senator. You should expect to see advance parties showing up there in the June timeframe, and their activation will be around October. And there's about \$71 million that's been authorized and appropriated to build the facilities that they need there at White Sands. So, I would say it's on track.

Senator DOMENICI. Well, there is \$70 million in Milcon for White Sands for that purpose, but I understand that there's no funding in the 2009 budget for other moves to White Sands. Will you check that out for me?

General CASEY. I will check that out. I know it's in 2008. I'll check that out.

[The information follows:]

FUNDING FOR WHITE SANDS MISSILE RANGE IN FISCAL YEAR 2009

Congress authorized and appropriated \$71 million in fiscal year 2008 to provide permanent facilities for the 2nd Engineer Battalion at White Sands Missile Range. As this satisfies the unit's requirements for permanent facilities, we did not submit a construction request for fiscal year 2009. Advanced parties of the 2nd Engineer Battalion are scheduled to arrive in June. We will begin constructing permanent facilities later this summer and activate the unit on October 16, 2008.

Initially the unit will be housed in, and operate from, renovated existing facilities and some relocatable facilities.

Senator DOMENICI. Oh, and one last one. There's a very sophisticated system called the high energy laser system test facility. The high energy laser facility, commonly known as HELSTF, you've heard of it, I think.

General CASEY. I've visited it.

Senator DOMENICI. Yeah. It is a pre-eminent laser test facility and a major range and test base facility. Your budget calls for deactivating portions of that. I wonder, how do you—how do these cuts comply with your duty to maintain HELSTF as a major range and a test base facility for the good of all of DOD, not just for that particular function? Do you have an answer?

Mr. GEREN. I don't, Senator. We'll take that for the record.

Senator DOMENICI. I would appreciate it if you'd submit that for the subcommittee, please. That's all I have. I thank you very much. [The information follows:]

DEACTIVATION OF HIGH ENERGY LASER TEST FACILITY (HELSTF)

When preparing the fiscal year 2009 President's budget, the Army consulted with potential users across the Department of Defense (DOD) regarding requirements for use of the High Energy Laser System Test Facility (HELSTF) megawatt laser capabilities. At that time, we concluded there were no firm requirements for either the Mid-Infrared Advanced Chemical Laser or the Sea Lite Beam Director. The DOD Test Resource Management Center (TRMC) concurred with our decision when it certified our fiscal year 2009 test and evaluation budget on January 31, 2008.

As required by the fiscal year 2008 National Defense Authorization Act, the Army, with TRMC as the lead, is conducting a cost benefit analysis of the proposed reduction of funding at HELSTF. The analysis will include an updated survey of all DOD and Service projected requirements to determine if future year requirements have emerged since the initial survey for megawatt class chemical lasers.

HELSTF remains operational to support laser programs. HELSTF will be a vital asset as the DOD moves forward with solid state laser development.

Senator INOUE. Thank you very much. Senator Dorgan.

Senator DORGAN. Mr. Chairman, thank you. Mr. Secretary and General, thanks for being here. I want to ask about two things. One is contracting, and the second is the issue of out of balance.

OUT OF BALANCE ARMY

So let me take the issue of out of balance first. A recently retired four star gave a presentation the other day, I understand, in New York. I got a call from someone who was there. And he essentially said this. He said, "It's dysfunctional to have one-third of the Army's budget funded on an emergency basis." He said, "The way we're headed—" he didn't use out of balance, but he apparently said, "The way we are headed we will have great military bands, and lots of generals and admirals, and substantially diminished military capability."

I've heard this before from others who retire, and then give us a much harsher view of diminished military capability than we receive from those on active duty. I don't know what the facts are, but I only tell you that this particular one came from someone that I have deep admiration for, who is recently retired as a four star. So, I mean, when you talk about out of balance, is that a softer euphemism for a much more serious problem, General? Because others, who have just left the service, give us a much more aggressive picture of very serious problems in diminished military capability.

General CASEY. Yeah. I don't think I'm trying to soft-pedal anything by what I say about using the term "out of balance," Senator. Because as I said, this is not a broken Army. When you visit the soldiers in Iraq and Afghanistan, I mean, I think you see it's a magnificent Army. There is no other army in the world that can touch it.

Now, are we where we want to be? No. And we fully acknowledge that. Our soldiers are deploying too frequently. We can't sustain that. It's impacting on their families. It's impacting on their mental health. We just can't keep going at the rate that we're going.

Our equipment is being used in these desert environments, mountain environments, and it's wearing out about five times faster than we thought. We have to focus on counterinsurgency train-

ing, as I said, because that's all they have time to do in the year that they're home. Our full-spectrum skills are atrophying.

And while the risk is acceptable in the short term, it's not something we can sustain over the long haul. So I don't think I'm trying to soft-pedal this at all. We have some very significant challenges here. We know what we need to do. If we get the resources in a timely and predictable fashion, we believe we can fix ourselves in the next 3 or 4 years.

Senator DORGAN. And isn't that at odds with the notion of funding almost one-third of the Army's budget on a continuing basis on an emergency basis? Wouldn't—I mean, that seems to me to be completely out of sync with—

General CASEY. Well, I mean, if you look at the fact that in the supplementals that we have gotten here over the last several years, about 70 percent of those supplementals go directly to pay for military pay and for operations and maintenance to support the theaters. And so that—it may sound like a lot, but it's going right to the war.

Senator DORGAN. Yeah. It seems to me it's dysfunctional that we don't have a long-term plan without emergency requirements, none of which is paid for, as you know, to fit into our budget schematic of what we need to do for our country.

And let me just say, that when I asked the question about what others who have recently retired are saying about the capacity, I think everybody on this panel is enormously proud of our soldiers. I mean, there's no one that I know that has been anything other than complimentary, enormously complimentary of our soldiers and our military. So I thank them for that.

I do just want to ask the question about the contract end, because—

General CASEY. If I could, before you go there, just make one more point, and I think your point on supplemental versus base program funding, I mean, our growth this year—the \$15 billion worth of growth is exactly that. It's come from the supplemental into the base. So I think you're starting to see that.

CONTRACTOR ISSUES

Senator DORGAN. I understand that. I don't understand why we have moved to so much contracting in the military. There's so much, much more than has been done in the past. And I guess I don't understand it, and I think, frankly, that we have been fleeced in an unbelievable way. Very few hearings on it.

A guy named Henry Bunting, a quiet guy from Texas, showed up once and he brought this with him. They were contracted by the Department of Defense to do a lot of things—to buy a lot of things. This was towels for the troops, and he ordered his white towels, because he was a purchaser for Kellogg, Brown, & Root. He ordered the white towels.

The supervisor said, "You can't do that. You need to reorder these towels. We need KBR embroidery, the logo of the company on the towel." He said, "But that would quadruple the price of the towels." "Doesn't matter, it's cost plus contract." And so he brought the towel to show me what he had to do, because his supervisor said, "The taxpayers will pay for this."

An example of—the same company was contracted to provide water to our military bases in Iraq. They provided potable and non-potable water. The nonpotable water is for showering, shaving, brushing teeth, and so on. Turns out the nonpotable water provided to the military base at Ramadi, and most other bases, was twice as contaminated as raw water from the Euphrates River, because of the way they were treating it.

And the company said that wasn't true, but then we discovered an internal secret memorandum from the company in which the person in charge of all water for the military bases in Iraq said, "This is a near-miss. Could have caused mass sickness or death, because we weren't testing the water and weren't doing what we should have done with what is called ROWPU water."

The military said, "That's not true. None of that was happening." That was the position of the Army. "It's not true." And an army captain physician serving in a military base in Iraq wrote me a memo, just out of the blue, and says, "I read about this. It is true. I had my lieutenant go follow the water lines and the nonpotable water was more contaminated than the raw water from the Euphrates."

And there will be a GAO report, by the way, which is going to be published very soon that will say that this water was not tested by those that we paid to test it. The contamination did exist. Fortunately, we didn't have mass sickness, but the contamination did exist. This will be a GAO report. And the military, the Army, has insisted, has insisted publicly, that the contractor did exactly what it was supposed to be doing. There was no issue here of testing.

I have never understood why there wasn't somebody in the Army that said, "Wait a second. These charges, if they're true, then by God, they're serious and we're going to stand up for soldiers here." Couldn't get anybody to do it.

And there will be GAO report out, General, that says that the Army, in suggesting that none of this was a problem, was wrong. Just wrong. And an army captain physician, a woman at a base in Iraq, knew it because she sent me an e-mail, out of the blue. But I knew it, as well, because I had the internal Halliburton documents that described the problem they had. I'm just telling you that—now, that happened—that's supplying towels, supplying water.

I had a man named Rory come to see me. He was a food service supervisor, and he said we were charging for far more soldiers—charging for 10,000 soldiers eating when 5,000 were eating meals. So providing towels, providing food, providing water, it used to be that the military did that, and now it's all contracted. I think we have been stolen blind, and I think that this Congress has not done its job and I'm—General Casey, you have not been on duty during most of this description that I've just given here. And you can't answer this.

I'm just telling my own concern. We have to shape up this contracting. And, Secretary Geren, you talked about the contracting some, and you think that you've got it shaped up. I'm telling you, I have looked at a lot of it. I've done 12 hearings on this. What has happened there is almost unbelievable. And I hope we shape it up,

and I hope we do a lot less contracting, and I hope we start doing a lot more of this in the military. But I thank you for listening.

I'm not asking a question about it. I'm just telling you that I've spent a lot of time trying to figure out what's going on, on behalf of soldiers. Because, after all, the soldiers are what we're concerned about here. So I thank you for showing up. You're welcome to comment on this if you choose, but I did want to tell you I've had great angst about what's happening, because I don't think it's right, not for the soldiers, and not for the American taxpayers.

[The information follows:]

LOGISTICS CIVIL AUGMENTATION PROGRAM (LOGCAP) CONTRACT ISSUES

MONOGRAMMED TOWELS AND FOOD SERVICE HEADCOUNTS

The allegations concerning the purchase of monogrammed towels and overstated headcounts in dining facilities in base camp operations have been reviewed by Army logistics and acquisition officials. There were instances where gym towels, monogrammed with the letters "MWR" (Morale, Welfare, and Recreation) as well as "KBR" (Kellogg, Brown, and Root) were purchased under the LOGCAP-III contract. These towels were ordered at a cost of 1KD (approximately \$3 each). KBR requested that the towels be embroidered in an effort to prevent theft. Subsequent to concerns posed regarding the use of KBR monogrammed towels, KBR switched to embroidered towels using letters MWR, to designate the towels for gym use in MWR centers.

With regard to KBR improperly charging for meals in dining facilities by overstating the daily headcount, the Army reached a firm, fixed price agreement with KBR on March 28, 2005, for food service costs. The agreement covered 15 LOGCAP Task Orders providing food services during the first 6-9 months of Operation Enduring Freedom/Operation Iraqi Freedom. The negotiated agreement decremented the contract by \$55 million and resolved a withholding of payment of \$55 million. The settlement implements the Department of Defense position that payments should be based on the actual services provided to patrons, while accounting for conditions that existed early in contingency operations. Among other things, these conditions included the use of government planning data during early operations where no experience data was available, and recognition of portion control issues. Since the settlement was negotiated, KBR instituted an improved subcontractor billing methodology which separately identifies individual cost elements and requires billing food costs based on actual meal counts. The Defense Contract Audit Agency supports the improved billing system as a significant improvement over the prior subcontract methodology which provided consistent pricing methodology across all sites, fixed costs that are separately identified and billed, and food costs that vary directly with actual headcount/meals served.

NONPOTABLE WATER

We share common goals of ensuring the health and safety of our Soldiers and of effective contractor performance, not only for Kellogg, Brown, and Root, Inc. (KBR), but for all of our support contractors.

Regarding the quality of water provided to our Soldiers, we have improved internal quality control procedures and have expanded oversight for all water production, storage, and distribution, potable and non-potable. Standard Operating Procedures (SOPs) for all water-related activities have been updated and we are continuing to look for ways to improve our operations toward that goal. The U.S. Army Center for Health Promotion and Preventive Medicine (CHPPM) is conducting a detailed study of water treatment processes in Iraq that will be completed this May.

Before January 2006, the Army did not require water quality monitoring of non-potable water. Army regulations did not address the use of Reverse Osmosis Water Purification Units (ROWPU) to process non-potable water for hygiene purposes. It is important to note; however, that potable water supply treatment and surveillance were monitored and tested in accordance with applicable standards and that its quality was never in question.

Both the Department of Defense (DOD) and KBR responded in an expeditious manner to ensure water quality at Q-West and Ar Ramadi were safe for use by deployed forces. DOD directed KBR to take immediate action to super-chlorinate the storage tanks and redirect the ROWPU concentrate output lines. At Ar Ramadi and Victory, KBR immediately began monitoring non-potable water that was purified by

other water producers. Preventive medicine officials increased monitoring of water quality at point-of-use shower water storage containers. As a result of internal quality control procedures and DOD oversight, quality assurance for the processes of both potable and non-potable water production, storage, distribution, and monitoring at point-of-use were deemed adequate. Since November 2006, there has not been a recurrence of this problem.

Updated procedures have been put in place to emphasize that water quality lapses must be promptly reported and that all newcomers receive adequate information concerning drinking water consumption and non-potable water usage. The Army has taken the following significant actions to improve water surveillance and ensure Soldier health:

- Provided every new Soldier and civilian with standard information concerning water consumption in Iraq upon arrival;
- Issued a LOGCAP contractor SOP for water production operators that designates procedures to report water quality lapses;
- Established a board consisting of officials from Multi-National Force—Iraq, Multi-National Corps—Iraq (MNC-I), Defense Contract Management Agency, Preventive Medicine, LOGCAP, and Joint Contracting Command—Iraq to meet quarterly and oversee the quality of water operations;
- Directed KBR to provide a list of all water containers to MNC-I Preventive Medicine officials;
- Updated MNC-I SOP 08-01, Annex Q, Appendix 6, Tab H, “Iraqi Theater-Specific Requirements for Sanitary Control and Surveillance of Field Water Supplies,” to mandate the standards, controls, testing, and recordkeeping for types and uses of water in Iraq;
- Conducted an assessment as to the numbers of the adequacy of Preventive Medicine sections required for testing; augmented military units with LOGCAP contractors where needed; and
- Drafted the multiservice edition of TB Med 577 which is projected for publication in August 2008; it addresses the use of non-potable water for showers, contractor water production site monitoring, military non-potable water supply monitoring, and the responsibilities for contractors to report their monitoring results to preventive medicine; it also directs preventive medicine to provide oversight and review of contractor water production, storage, and distribution procedures.

The quality of both potable drinking water and non-potable water used by our service members meets all standards of Army Technical Bulletin 577, “Sanitary Control and Surveillance of Field Water Supplies.” Additionally, the March 7, 2008, DOD Inspector General Report titled, “Audit of Potable and Nonpotable Water in Iraq” concluded that processes and procedures for production and quality assurance of water in Iraq were adequate as of November 2006.

Mr. GEREN. Let me just speak to a couple of points quickly. When we shrunk the Army, as we did in the 1990s, to the size that it is today—the 482,000 soldiers on active duty, now we’ve got about 525,000 on active duty—we put ourselves in a position where we could never go to war without heavy reliance on contractors.

And with this size of an Army, if we are going to have the soldiers we need to carry rifles, we really had no choice but to contract out many of those support services. And that’s for the Army that we have, and the commitments we have around the world. I don’t think we’re going to see much change in that area. But we can do a better job of supervising contracting. I could not agree with you more.

I will certainly follow up on all the issues that you’ve raised. And when we get evidence of any type of contracting abuse or fraud, I hope that I can say we follow up on it. I can’t say that we have in every case. But it’s certainly our commitment to do that, and this contracting task force that we set up last summer, under General Ross Thompson, and brought another SES from Army Materiel Command, their job was to get whatever it took to go and root out contracting fraud in our operations.

And one of the things we've done is add considerable additional compliance officers, people that—we in Kuwait did not have compliance officers assigned to all of our contracts. We had some situations where people were just paid by volume. There's a soldier who has been indicted for a scheme which resulted in fraud of \$10 million, we believe. And we didn't have a compliance officer checking to make sure we were getting what we paid for.

So we've beefed up the number of compliance officers. Over the coming years, we're going to do a better job of training. We're going to develop officers in our Army that know, "I can be in contracting, and I can have a career in contracting, and I can become a general officer in contracting."

Dr. Gansler, in his report, had a very interesting slide. It showed the rate of contracting going up like this, to the point where now the Army—when you look at dollar volume, the Army executes nearly one-fifth of all the contracts for the entire Government. And he looked at employees, civilian and military, in our Government went like this. So contracting is going up like this, trained contracting officials stay flat. So we're trying to correct that right now.

We have work to do in this area, but I can assure you we take those allegations of fraud as seriously as you do, and particularly anything that threatens the health or safety of our soldiers. That is a core Army value.

Senator DORGAN. Mr. Chairman, you've been very patient with me. I want to make one additional comment. There's a woman over in the Pentagon named Bunnatine Greenhouse who was demoted, lost her job, because she had the courage to speak out about the LOGCAP and the RIO contracts that were awarded. She said it was "the most blatant abuse of contracting" she'd seen in her lifetime, and she was the highest civilian official at the U.S. Army Corps of Engineers.

For that courage, she lost her job. And now it's been subsumed in this—behind this big curtain of, "Well, it's all being investigated." It's being investigated for 3 or 4 years and—it's over 3 years now—and it, I assume, discourages others from doing the right thing.

But again, I'm saying things to you that are not on your watch, but I do very much hope that you all would be bloodhounds on these issues. Because it's under—it disserves the American soldier and it disserves the American taxpayer when we're not getting what we're supposed to be getting.

And I hope you'll look into Bunnatine Greenhouse. I spoke to Secretary Rumsfeld about her, spoke to Secretary Gates about her, and this is a woman that has been terribly disserved by her Government. She had, by all accounts, outstanding reviews by everybody and, by the way, General Ballard, the head of the Army Corps of Engineers who hired Bunnatine Greenhouse, said she was an outstanding employee.

And then she got in the way of the good old boys network that want to do separate contracting, behind the curtain, and do it not in conformance with contracting rules. She spoke out. And, for that, she paid with her career. And I hope one of these days maybe somebody will do some justice or provide some justice for Bunnatine Greenhouse. Thank you.

Senator INOUE. Thank you very much. Senator Murray.

Senator MURRAY. Mr. Chairman, Senator Mikulski is on a really tight timeframe, and I'm happy to yield to her first and follow her, if that's all right with you.

Senator INOUE. Senator Mikulski.

RESET

Senator MIKULSKI. Thank you very much, Mr. Chairman. And thank you, Senator Murray. First of all, to both you, Mr. Secretary, and to you, General Casey, I think those of us at the table, and certainly me, personally, want to salute our Army. And we want to salute our armed services, those on active duty, those who are in the Reserve, those in the Guard, those in the battlefield, those that are serving here. I think we all agree that our military's done all that's been asked of them.

What I think what we now see with the surge is that we can't sustain it, we can't sustain the level of troops, and we can't sustain the level of money necessary to support the troops.

My colleagues have asked those questions about adequacy of troop level, adequacy of equipment, the need to bring those back into balance. My focus is going to be on another area, but I think we're in a crisis here. This has been a very cordial hearing, and I just, again, want to afford my deep respect to both of you. But we are in a crisis about what this country can do, and what this country can sustain.

Now, I want to come back to something called reset. My colleague, Senator Murray, will be asking about the Guard. I'm very concerned about the Guard, because I feel the Guard's treated like a stepchild. It's certainly treated like a stepchild when they go and have to bring their own equipment, and also treated like a stepchild when they come home with reintegration issues.

She's going to ask my same set of questions. But let me go to this, something called reset, the military family, and so on. I don't know what reset means. I truly don't, and I don't mean this with any disrespect, I don't know what the hell that means. And if we're talking about the family, I don't know what that means.

So if you could share with me, what does reset mean? Does it mean when they come back—some of them bear the permanent wounds of war, but you've been to war. Everybody in war is impacted by war, and the family is impacted, the spouse is impacted, the children. So my question is, what does reset mean? And then, my other question, just in the interest of time, could you refresh for the subcommittee the response to the Walter Reed scandal. And efforts were taken, and thanks for appointing General Schoomaker as the Army Surgeon General. But my question is, refresh for the subcommittee the Dole-Shalala report. And where are we in accomplishing what their recommendations were?

So what does reset mean? And where are we going? And then, where are we with the Dole-Shalala recommendations, which I thought was a clear path to reform and dealing with our military families?

General CASEY. Okay. Senator, let me take the reset question. As I mentioned in my opening statement, after soldiers deploy for the extended period, they need to recover personally, their organiza-

tions need to be recovered, and their equipment needs to be recovered. And, as I mentioned in response to another question, we're trying to get that done in an acceptable period of time.

One, so the soldiers do have enough time, where they're not frenetically moving from one thing to another so they have some time to recover physically and mentally. And I tell folks when I'm going around talking to them about the need to slow down when they come back and to recover, it's like running a marathon. When you run a marathon, 2 or 3 days after you finish running, you think you feel pretty good.

But you've broken yourself down inside in ways that you don't understand. The same thing happens in combat. And it takes awhile to restore that.

The second piece of it is equipment, and you can't use equipment—

Senator MIKULSKI. No. And I understand the equipment. I want to go to the personal part, which goes to reset of the combat veteran as he or she returns home. And that's where I really worry. I really worry about them recovering, but you just can't—with all due respect General, reset sounds like a button that you push and all is okay. I reset my computer. I reset a lot of things. That sounds like pushing the button.

When they come back, their lives have changed. Their spouse has changed. They've changed. Their children have changed. We have children in our schools who watch TV and hear about the battlefield. We have children in schools that are in grief counseling because their mother or father are away. You know when some of these men or women come home, even when they go to a store, to a Home Depot, the kids are grabbing them by the legs, "Are you leaving us again?"

This is not something called reset. And that comes back to the Dole-Shalala report. How is it that we are truly helping the families, because I'm concerned that, once again, the funding is Spartan, and the understanding of the problem is skimpy.

General CASEY. Okay. Senator, as the Secretary and I both have mentioned, we have recognized the pressures and the stresses that these repeated deployments have placed upon families. And we have both restated our commitment to families in five key areas, and put our money where our mouth is, and doubled the amount of money that we're putting toward soldier and family programs.

There was no question in the minds of my wife and I after we traveled around the Army when we first took over that the families were the most brittle part of this force. And we have a wide range of programs to help the families with the reintegration process.

I will tell you, I am not as comfortable—we have not gone as far with the Guard and Reserve as I would have hoped, and we are doubling our efforts with the Guard and Reserve. We had a program which was well-intentioned that said you couldn't assemble the Guard and Reserve unit for 60 days after they got back. And so people, they had the time to relax. But what we were missing is the interaction that needs to take place among the people that they deployed with to help them through these things.

And obviously, Guard and Reserve challenges—

Senator MIKULSKI. Well, General, I think we need to work at this money issue here. But thank you for that answer.

Do you want to tell me, Secretary, where we are in Dole-Shalala?

ARMY FAMILIES

Mr. GEREN. Well, I'd like just real quickly add to what General Casey said on the investment in families. And our effort is comprehensive, and we've got some good ideas that are coming from a number of different places within the Army and outside of the Army.

And up in Madigan Army Medical Center, in Senator Murray's State, one of the most innovative programs had to do with the issue that you've raised about the—you've talked about the children and how they cope with deployments. They had a program there where they studied the impact of deployment on children, and they developed the Child Resiliency Program that deals specifically with those stresses and strains that children suffer with, in the deployment. And they developed a program that we actually take to the schools to help the teachers and help their counselors there.

So we're trying to reach out, understand those challenges, and then trying to meet them. And we've seen some great initiatives come from different places in the Army. We've empowered the Army to think, make this a high priority, and work through it. And I believe we've made some progress, but we are not where we need to be.

ARMY MEDICAL ACTION PLAN

Let me, on Dole-Shalala. We really have three guiding documents that have helped shape our reforms in the Army, after what we experienced at Walter Reed. We had Dole-Shalala, we had the Marsh-West—Secretary Marsh and Secretary West—and we had an Army Medical Action Plan.

And if you look at the Dole-Shalala, I could group it very roughly. One, patient care was a piece of it. And the other was the disability system—moving a soldier, sailor, airman, or marine from active duty across this handoff to the Department of Veterans Affairs (VA). And our—how do we improve that process?

On the latter, the move of the soldier from the Army to the VA, we are doing a better job there. The Secretary of Defense appointed a working group to work that issue with the Deputy Secretary of Defense and the Deputy Secretary of Veterans Affairs working together, and met every single week for months on end.

We have a pilot program out of Walter Reed that is working to try to figure out how we can do it better.

Senator MIKULSKI. But in zero to 10.

Mr. GEREN. I beg your pardon?

Senator MIKULSKI. On a scale of zero to 10, Mr. Secretary, with 10 we've really accomplished the recommendations of Dole-Shalala, say, in the disability area.

Where would you put us? At 10, we've done it. And we've done it the way it ought to be done.

Mr. GEREN. The pilot program is a major step forward, but it's just a pilot at this point. And we are just now beginning to bring

servicemen and women through that pilot. And until we have the results of that pilot, I don't think we can judge it. Let me talk about patient care, if you would.

Senator MIKULSKI. And I'm going to come back to that during military medicine. Because, again, that's a whole other topic, and I know our chairman has been certainly a leader in the issue of military medicine. But medicine, again, is for the family, it's the integration, it's the disability system. Walter Reed wasn't just a headline that we forgot about. So—

Mr. GEREN. Nor have we, Senator.

Senator MIKULSKI. No, no. And I know that. And I know that. And I, again, I'm going to thank you for General Schoomaker, who I know has really been very aggressive in this area.

Mr. GEREN. He's doing an outstanding job. We've developed an Army Medical Action Plan, which advances the themes of Dole-Shalala. The area that we learned we had failed so badly in at Walter Reed was in outpatient care. We've radically overhauled that system.

Over 1 year ago, when this problem developed, we treated the Guard and Reserve. They were called medical holdover population. The active duty was medical hold. We've done away with that distinction. Across our Army, we've created 35 warrior transition units (WTU). We've moved these soldiers into those warrior transition units. Every single one of those soldiers now has a triad of support for that soldier—a squad leader, ratio of 1 to 12; a nurse case manager, 1 to 18; a primary care physician, 1 to 200.

We've got ombudsmen in every one of those facilities. We have added 2,500 staff to support those warrior transition units. And we're not just measuring inputs, we're also measuring outputs, the satisfaction of the patients that are in that system. And it's—we're seeing progress.

We are doing a much better job dealing with those families. We've got a Soldier and Family Assistance Center at every one of those warrior transition units. We've taken services that were scattered out all across the Army and across the private sector, and we've brought them all together. And little things, like picking up the family at the airport, to bringing them in, meeting their economic needs, meeting their personal needs, their psychological needs, and in many cases, their financial needs.

And we've made tremendous progress in not only the patient care for those soldiers wounded, ill, and injured, in supporting the families, and also making sure that the needs of those soldiers surface through ombudsmen. We have a training program for the people that represent them in the disability system.

But fixing—we do not have—one of the primary goals of Dole-Shalala was one physical and one rating system, and the pilot out here does have one physical for them. And we take the results of that physical, and the VA takes results of that physical. So the pilot combines the two.

But we have not, as a Government—and it's not just the DOD—designed the system to accomplish everything Dole-Shalala wants to accomplish in that regard. But in patient care, I believe that we have accomplished what Dole-Shalala asked us to do.

Senator MIKULSKI. Well, thank you very much for that kind of update, and we're going to pursue this more in military medicine. But I just wanted to say to you, to DOD budgeteers, to this subcommittee, you know what we're welcoming back—and some of the injuries are so profoundly severe that we're in this for 30 or 40 years, in terms of this family support. This isn't just 30 days and 60 days and so on.

So I think we've made a beginning, and I think we've got the right people in place to really move this, and we'll continue this discussion. Because one of the ways of recruitment is, "What happens to me if something happens to me?" And as you know, you not only recruit the soldier, you're recruiting the family of the soldier. And those are the questions, which is Charlie or Jane, "What happens if something happens to you?"

Mr. GEREN. Right.

Senator MIKULSKI. So it will be a conversation we'll consider. Thank you very much, Senator Murray. I know you'll ask questions.

Mr. GEREN. And thank you for your interest in that, Senator. Because you're right. It is a long-term challenge.

Senator MIKULSKI. And we'll have further conversations.

Mr. GEREN. And I'd just like to mention, too, you've mentioned General Schoomaker, and he's done an outstanding job as Surgeon General. General Pollock, who was the interim Surgeon General, also did an excellent job of taking that crisis situation and helping us work through that transition. And I think General Pollock, General Schoomaker, General Tucker, and the hundreds of people who have worked with them, we've seen extraordinary leadership.

Soldiers take care of soldiers. That's what they do. You strip away everything else about the Army, and that's what soldiers do. And when we learned about this problem, soldiers stood up, they demanded action, and they took action. And I'm proud of what the soldiers have accomplished. We're not where we want to be, but you can count on soldiers taking care of soldiers.

Senator MURRAY. And I would say to my colleague, Senator Mikulski, that I recently visited Madigan in Fort Lewis, and there are significant—better conditions than we had 1 year ago. And my hat's off to all of them. The staff ratios, the facilities themselves, the Family Assistance Center helping soldiers get their way through.

MENTAL HEALTH PROFESSIONALS

A warning shot, we do have a lack of professionals to be able to recruit, and I will submit a question for you on that, whether you do have or not enough people in the pipeline, particularly in the psychological healthcare professionals, to be able to fill those billets as we move forward on that, and I will submit that question for the record, because time is running out.

But I think that we're doing good, but we better we'd better be looking at whether or not we have enough qualified people and have the resources.

Mr. GEREN. The answer is no. We do not have enough. We don't. It's a shortage, particularly in mental health professionals, and I wanted to answer it in this open session, because it is one of our

most important needs. It's not a question of resources. And, in the Congress, you all have given us some authorities that are helping us, both with bonuses and direct hires.

But particularly for the Army, many of our installations are in rural areas, and they're underserved by mental health professionals. And we depend not only on what we have in the Army, but TRICARE. And that is an area that we need to continue to grow internally, and develop externally ways to access the mental health professionals. It's a real challenge for us.

Senator MURRAY. I agree. And we need to really be talking about that. Let me go back, Secretary Geren, and kind of follow up on a little bit of what we're hearing. I think we're still in—really trying to recover from a lot of the poor planning that went into the length of the combat operations. I mean, we've been 7 years in Afghanistan, coming up on 5 years in Iraq.

You've both talked about the tours of duty being too long, the dwell time too short. We've seen the evidence of strain on our soldiers and our families. And I have a real concern about the slow change of the tide regarding the perception and attitude of psychological health.

Now, I heard you talk a lot about a number of different programs. That's great. But I want to know what we're doing to really change the attitude about how we deal with psychological health.

SEEKING MENTAL HEALTH TREATMENT

Mr. GEREN. Yeah. We recognize in the Army the stigma associated with getting—seeking help when you have any mental or emotional issues is a real problem. And we have initiated a number of different efforts to try to address that. I think the most significant one of all is our program to require literally every single soldier in the Army, all 1 million soldiers as well as all Department of the Army civilians, to take a course on how to spot the symptoms of and seek treatment for PTSD and TBI. We've got a little over 800,000 of the 1 million soldiers who've taken that course. And I think more than any other single thing that we do, that is going to help us address the stigma issue.

Every single soldier understands that this is a problem that soldiers have. It's something that you—we have a system in place to help you step up and deal with it. And we've seen—we do these tests, mental health assessment tests. We just finished our fifth one. And, very encouragingly, we've seen that the stigma associated with seeking help for mental health problems is going down. So we've actually seen the needle move on this issue.

But we've also provided ways for soldiers who—and family members—who don't want to identify themselves to seek mental health anonymously. And then we have a program that allows them to do that, as well.

But we recognize that. In the private sector, the stigma of getting mental help is a problem, probably in a military culture it's a bigger problem. But I think that this chain-teach, this million soldier chain-teach, not only is going to change our Army, I think it could change all of society.

But we are seeing a different attitude. We're also moving more aggressively to help soldiers identify their mental health issues for

themselves, through pre-deployment assessments and through post-deployment assessments. And Madigan was one of the first to initiate the face-to-face interviews upon redeployment. So you have an interview, and you ask questions that will draw out the possibility of some mental health concerns, and then we proactively deal with them. So we're making progress, but we're not where we want to be.

Senator MURRAY. I appreciate that. We've got to stay on it. It's more than just saying, "I know what the symptom is." It is actually saying, "It's not only okay to ask for help, but that you must ask for help. And if you do ask for help, they're won't be any retribution. You won't lose your job. You won't lose your status. People will still respect you." I mean, it's—

Mr. GEREN. Absolutely.

Senator MURRAY [continuing]. It's a large cultural issue—

Mr. GEREN. It certainly is.

Senator MURRAY [continuing]. We have to continue to focus on. And I know that you've probably seen the articles, Washington Post had an article regarding the increasing number of suicides. In 2007, the number of active duty soldiers that took their own lives was 121, a 20 percent increase from 2006. A Department of Veterans Affairs analysis found that Guard and Reserve members accounted for 53 percent of veteran suicides from 2001, when the war in Afghanistan began, to the end of 2005.

The repeated deployments, the length of time on ground, the stress on the families, we know all has a contributing factor. Can you talk to me specifically about suicides and what you are doing to try and address that issue?

Mr. GEREN. We see the suicide numbers as a great challenge to us as an entire Army. We have what we call a balcony brief every week, in which we bring all of the senior leaders of the Army together, many of which have nothing to do with mental health issues or anything to do with delivery of healthcare. And we have the suicide statistics are in front of that entire audience.

We want everybody in the Army to know that the problem of suicide is the responsibility of everyone in the Army.

General Schoemaker has led efforts. We have the General Officer Steering Committee to deal with it, to initiate programs. We've been studying the problem, and try to understand, what are the factors that push somebody to that point? And the issues are the same in the Army as they are on the outside. It's mostly failed relationships. It's other major personal disappointments, coupled with depression.

And we are trying to train our small unit leaders to identify those symptoms earlier, to stay close to their—the young—or the men and women that are below them, more education programs for chaplains. We are in the process of doing a study of all the soldiers that are in our healthcare system to try to identify trends that identify, before it happens, somebody that's inclined to harm themselves.

And taking lessons learned from this study and applying it across the force so we can start spotting some of these factors before they become a crisis. I think the Chain-Teach Program, teaching people to get mental health when you start experiencing some

of these emotional problems, will go a long way toward helping that.

But we've seen the rate of suicides double since 2001. And I can assure you, every person in the Army—uniform and civilian—is charged with helping us address this and turn those numbers around.

Senator MURRAY. Well, General Casey, maybe you can talk a little bit about the National Guard and Army Reserves, in particular. We're seeing a number of those members come home and needing assistance in re-integrating into civilian life. And oftentimes, it's onesies or twosies, it isn't a whole unit, that they come back by themselves and often go to rural communities.

They need psychological counseling. They need healthcare. They need help with family issues.

YELLOW RIBBON REINTEGRATION PROGRAM

I know that last year the National Defense Authorization Act established the Yellow Ribbon Reintegration Program. But there's no funds. No one asked for any money for that, for resources to implement it. And I wanted to know if you have received from the Department of Defense any implementing policy or funding for the Yellow Ribbon Reintegration Program.

General CASEY. Yeah. I can't answer that question about the Yellow Ribbon Program.

Senator MURRAY. Mr. Secretary?

Mr. GEREN. Secretary England, Deputy Secretary England, spoke to that this past week. There were no funds attached to it, but he—speaking for the Department, and not just for individual services—said it's a commitment that we will embrace and we'll execute.

Senator MURRAY. Have we seen any policy on how to implement it?

Mr. GEREN. No, I have not. No. But Secretary England spoke to it recently, and as we work through the many new initiatives from the authorization bill, we will act on them. And he committed the Department to do that.

General CASEY. Can I say, Senator, though—

Senator MURRAY. Yes.

General CASEY [continuing]. That we're not waiting for that, or money, before moving out on trying to help the National Guard and Reserve soldiers reintegrate. It's part of our overall soldier and family support covenant. And, as I said earlier, the dispersed nature of where these young men would then go when they return makes it more difficult.

And one of the programs we have is an integrated family support network online that allows—that will allow soldiers to enter a ZIP Code of a service they require and find out where to go. But the mental health provider problems that you raise—

Senator MURRAY. Uh-huh.

General CASEY [continuing]. Are more difficult for the Guard and Reserve, again, because of the dispersed nature. And it's going to take a lot more focused effort to help them.

The last thing I'd say on that is they aren't standing by either. There's been a great program piloted up in Minnesota, by the Minnesota Guard, that helped bring folks back in. And a lot of the

other States are copying that. But we're committed to our Guard and Reserve soldiers.

Senator MURRAY. Okay. General Casey, I just wanted to ask you quickly in my last minute here. You and I have talked about families and the importance of families. Training them to recognize issues, empowering them to be able to help their returning soldier when they come home. If we don't deal with the families, we are not going to be able to recruit soldiers in the future.

That's the Army we have today. It's the Army we have to pay attention to. Magic wand, what would you do? What would you tell us we should be doing? A couple of things to support families that we're not doing today that we need to focus on to help them with the real challenges that they have.

ARMY FAMILY COVENANT

General CASEY. The main thing we need to do is to continue to put the resources, the money, against the family programs. As I mentioned, we've doubled that last year, and we're doubling again in this 2009 budget.

The spouses that we went around and talked to said, "General, we don't need a bunch of fancy new programs. We need you to fund the ones you have and standardize them across the installations." And as we look into it, the reason they weren't standardized is because the money was distributed differently.

Senator MURRAY. Uh-huh.

General CASEY. The second thing that comes right to the front is housing. And there's a significant sum of money in this 2009 budget for Army family housing into privatized additional houses. As I said in my opening statement, we're up over 80,000 privatized homes now. And the soldiers and their families love them.

The third thing that we have to invest in and work on is exactly the issues you raised. It's the access to quality care, particularly the mental healthcare. What I'm finding myself doing, Senator, is going right down the five elements of the family covenant. And the last two are educational opportunities and childcare opportunities for the youth, and educational opportunities and jobs for spouses.

Anything you can do in any of those areas, particularly, the last one, I think, also would particularly be helpful.

Senator MURRAY. Okay. Thank you very much, both of you.

Mr. GEREN. Thank you, Senator.

Senator INOUE. This discussion couldn't fail but to remind me of my service in World War II. And it was a different war. For example, in my regiment, only 4 percent had dependants, 96 percent were 18-year-old youngsters. On top of that, we had no CNN that would give you live reports on action happening right there.

You could see a lot of explosions. Nor did we have cell phones and BlackBerries. As a result the only thing we had to communicate with each other was the Postal Service. And it took anywhere from 3 weeks to 6 weeks for mail to go from France to Hawaii and back. And we did not have these return home every year.

As a result, you didn't have someone grabbing you and saying, "Honey, don't go back again." Or your son telling you, "Daddy, stay home." So we were lucky. The present generation is beset with

problems that modern America has created. But we have a challenge ahead of us. We've got to do something about that.

But as long as wives see their husbands on CNN standing in harm's way, it's going to shake them up. And when men receive telephone calls from their sons or a little baby saying, "Daddy, come home," that will shake up anyone. So there are some of us who appreciate that, and we want to do something about it.

ADDITIONAL COMMITTEE QUESTIONS

I thank you, Secretary and General Casey, for the service to our Nation and for the testimony. And I can assure you that this subcommittee will be working with you in the months ahead. And, if we may, we'd like to submit some follow-up questions.

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

QUESTIONS SUBMITTED TO GENERAL GEORGE W. CASEY, JR.

QUESTIONS SUBMITTED BY SENATOR TED STEVENS

FISCAL YEAR 2008 SUPPLEMENTAL

Question. I am concerned that the Army's personnel and operation accounts will not have the resources needed to support our troops without the timely passage of the remaining fiscal year 2008 supplemental request. When is the latest you will need to have the supplemental funds in hand, and which accounts will be most significantly impacted?

Answer. We need Congress to take action prior to the end of May. This will provide enough time to process and distribute funds without interruption to ongoing operations. We are most concerned about Military pay for the Active and Guard Force. These accounts will run out of money in mid-June. The Operation and Maintenance account for the Active and Guard will run out of money in early to mid July.

FUNDING SHORTFALLS FOR RESET

Question. Do you anticipate any production delays in items critical for equipment reset that will not be accomplished because of funding shortfalls?

Answer. The timing of the receipt of reset funding is critical. The Army anticipates reset funds to be received in the May-June time frame. Production lead-times and deliveries are dependent upon receipt of these funds. Delays will be experienced if Army does receive reset funds as scheduled.

FUTURE COMBAT SYSTEMS

Question. What efforts are you making to get Future Combat System, or FCS, technologies deployed sooner and what are you hearing from soldiers in the field on the need for FCS capabilities?

Answer. There are more than 75 Future Combat System (FCS) hardware tests and evaluations ongoing across the country. The FCS Spin Out 1 prototypes will be tested by the Army Evaluation Task Force (AETF) Soldiers in mid-2008 at Fort Bliss, Texas and White Sands Missile Range, New Mexico. The Army anticipates fielding the Spin Out 1 technology to operational heavy brigades in 2010. The prototypes being tested include: Non Line of Sight (NLOS) Launch System; Urban Unattended Ground Sensors; Tactical Unattended Ground Sensors; CS Network Integration Kits for Abrams, Bradley and High Mobility Multi-purpose Wheeled Vehicle (HMMWV) platforms. Additionally, the Small Unmanned Ground Vehicle (SUGV) and the Class I Unmanned Aerial Vehicle (UAV) will be evaluated to assess the potential for accelerated fielding to the current force. If the SUGV and Class I UAV are assessed as militarily useful, the Army anticipates deploying these systems during the same 2010 timeframe.

The following FCS-like technology is currently being used in Iraq and Afghanistan: The Gas Micro Air Vehicle (gMAV), an early precursor to the FCS Class 1 UAV, has been invaluable in Navy explosive ordnance disposal (EOD) operations in

Iraq and is planned for use by 25th Infantry Division Soldiers in urban warfare operations in Iraq this year.

The Packbot being used by Soldiers and Marines in Iraq and Afghanistan is the precursor to the FCS SUGV. This man-packable robot has been invaluable to Soldiers during urban warfare and EOD operations.

The Excalibur artillery round that is being developed to use in FCS NLOS-C is currently being used by artillery units in Iraq. The units have had stunning success with this advanced round.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

JOINT HIGH SPEED VESSEL (JHSV)

Question. General Casey, based on last year's budget request, funding was appropriated for a Joint High Speed Vessel, and I understand your fiscal year 2009 requests funding for procurement of a second Joint High Speed Vessel. I am told these vessels are highly flexible and can operate in shallower ports than traditional larger vessels. Would you share with the subcommittee how you plan to use these vessels and how they may assist us in the Global War on Terrorism?

Answer. The Joint High Speed Vessel (JHSV) provides the Joint Force Commander (JFC) with an intra-theater mobility asset that enables rapid, flexible and agile maneuver of intact combat-ready units and transport of sustainment supplies between advance bases, austere and degraded port facilities or offload sites, austere littoral access points, and the Sea Base. JHSV will be capable of self-deploying worldwide to the theater of operations. Combatant Commands (COCOMs) identify high speed intra-theater surface lift as a critical gap in their ability to support the Global War on Terrorism (GWOT), their Theater Security Cooperation Program (TSCP), and current operations.

The GWOT counters a plethora of new asymmetric threats designed to erode, paralyze and marginalize U.S. power. To meet these unconventional challenges, U.S. Joint Forces must be prepared to rapidly plan and execute a broad range of joint, small scale contingency operations, while maintaining the capability to prevail in major combat operations. The keys to success in many operations remains the ability to quickly maneuver sufficient forces into critical positions, and to provide sustained logistics support until a decisive victory is achieved. Intra-theater lift will be especially crucial in a future conflict in which enemies may be able to obstruct or deny altogether the use of fixed entry points such as airfields and seaports. Shore infrastructure and support such as cranes, tugs, and other port services will not exist or be available in many of the austere ports where future JFCs will need to operate. Therefore the JHSV's ability to access non-traditional, shallow draft ports will be essential for the delivery of forces and logistics support.

JOINT CARGO AIRCRAFT (JCA)

Question. General Casey, there has been some discussion recently between the United States Air Force and the United States Army about the need for and the role of the Joint Cargo Aircraft. Can you elaborate on the Army's need for and use of the Joint Cargo Aircraft?

Answer. The Chief of Staff of the Army and Chief of Staff of the Air Force have agreed to examine Intra-theater Air Lift Roles and Missions as part of the Quadrennial Defense Review. In the most recent Air Force-Army Warfighter talks, we re-committed our Services to the success of the C-27 program in its current format, on the current fielding timeline, and in accordance with the current beddown plan. Together, both services will work any roles and missions issues that may arise.

The importance of the JCA Program to the Army cannot be understated. The JCA enables the Army to meet its inherent core logistics functions as described by Joint Publication 3-17 and Joint Publication 4-0. The primary mission of the Army JCA is to transport Army time-sensitive mission-critical (TSMC) cargo and personnel to forward deployed units, often in remote and austere locations, commonly referred to as "the last tactical mile". Because of the critical nature of this cargo to the success of the tactical ground commander's mission and the short-notice of its need (usually less than 24 hours), lift assets must be in a direct support relationship to provide the necessary responsiveness.

LAKOTA

Question. General Casey, the first Light Utility Helicopter Lakota aircraft have been delivered, including the first "Made in the USA" airframes from the production line in Columbus, MS. Based on the budget request, funding was appropriated for

production of 43 aircraft. I notice in your budget request submitted earlier this month you reduced your request to 36 aircraft for fiscal year 2009, and plan to make further reductions in fiscal year 2010 to 25 aircraft, and in fiscal year 2011 you make additional reduction to 18 aircraft, before you increase your request to 41 aircraft in fiscal year 2012 and 43 aircraft in 2013.

General Casey, can you share with the subcommittee how these aircraft have performed in the field?

Answer. The Light Utility Helicopter (LUH) program is successfully executing the Army's transformation strategy. The LUH program is meeting all cost, schedule and performance targets and is now in Full Rate Production. A total of 85 LUHs are now on contract with 20 aircraft delivered. The LUH is now in service at the National Training Center, Joint Readiness Training Center, and Fort Eustis, Virginia, performing medical evacuation, VIP and general support missions.

Question. How has this capability benefited our National Guard and Reserve units?

Answer. The Light Utility Helicopter (LUH) program greatly benefits our reserve components. Of the 345 aircraft we plan to procure, 200 will be fielded to the Army National Guard (ARNG). These new aircraft will divest legacy, aging, and less capable OH-58s and UH-1s. The immediate impact will be a more ready force, that remains in the states, ready for response to situations in permissive environments, principally within the Continental United States (CONUS). This year, we will field aircraft to the Eastern Area Army National Guard (ARNG) Training Site as well as ARNG units in Mississippi and Louisiana.

Question. Why would the Army request a production profile consisting of 43 aircraft last year, go down to 18 over the next three years and then back up to 43 aircraft in 2013? I cannot believe this is the most efficient way to procure this aircraft, and I am concerned how this might affect fielding of the platform and stability of the workforce.

Answer. We acknowledge the challenging Light Utility Helicopter (LUH) procurement profile and we will attempt to address it within the fiscal means available within the Army Aviation investment portfolio. We appreciate your fiscal support for LUH, your efforts to rapidly bring this new commercial, off the shelf solution into the Army inventory, providing us a means to transform our aviation forces and retire our Vietnam-era helicopters as swiftly as possible.

QUESTIONS SUBMITTED BY SENATOR CHRISTOPHER S. BOND

SUSTAIN SOLDIERS AND FAMILIES IN AN ERA OF PERSISTENT CONFLICT

Question. How long can our soldiers sustain the current effort in Iraq and Afghanistan?

Answer. The cumulative effects of the last six-plus years at war have left our Army out of balance. The impacts on Soldiers and Units of increasing time deployed and decreasing time between deployments are visible in several different areas: training, readiness, and other indicators. The Army has a backlog of Soldiers who have not attended the Professional Military Education schools commensurate with their rank. Units are only able to train to execute counter-insurgency operations rather than full-spectrum operations. Other indicators are worrisome: the competitive recruitment environment with a declining number of qualified potential recruits, the increase in the number of Soldiers with post traumatic stress disorder (PTSD), and an increasing number of suicides. However, we assess that we will continue to recruit and retain enough Soldiers to meet our endstrength requirements. We have a plan that will, with Congressional help, restore balance to our force. We've identified four imperatives that we must accomplish to put ourselves back in balance: sustain, prepare, reset and transform. Additionally, the Army has accelerated its planned growth of Soldiers and Units and we expect to complete our growth by the end of 2011. In this era of persistent conflict, the nation needs to field fully prepared and resourced forces wherever required.

Question. What is the projected impact on our Soldiers and their Families?

Answer. The long term impact experienced by Soldiers and their Families resulting from Global War on Terror operations will be significant. The Army has aggressively fielded multiple prevention and treatment programs in an effort to successfully transition Soldiers from combat experience into a continued high quality of life. We have developed pre and post deployment Battlemind training, as well as Battlemind training modules for spouses. We have produced family support videos targeting the full range of dependent age groups, from toddlers to teenagers. In 2007, the Army distributed a mild Traumatic Brain Injury/Post Traumatic Stress

Disorder (TBI/PTSD) video as part of the chain teach program for the entire force, with several versions available to Families. Based on internal analyses, such as the Mental Health Advisory Teams, the Army Medical Department is hiring over 340 additional behavioral health providers and increasing the number of marriage and family therapists.

Question. Please tell this committee how soldiers can continue to deploy year after year with an all-volunteer force?

Answer. Per MAJ Phil Young, the answer to this question is no longer necessary.

FUTURE COMBAT SYSTEMS (FCS)

Question. I have been and still am a proponent of modernization, specifically through the Army's Future Combat System (FCS). I understand that near-term Army needs threaten the funding of FCS. Secretary Gates stated that program affordability was in question. I know you received several questions from my colleagues on the Armed Services Committee reference FCS, but I would like to know: What is your opinion on the importance of sustaining the funding ramp for FCS?

Answer. Continued investment in FCS is essential to deliver needed capabilities to combat forces deployed today and in the future. Investments in FCS have produced technologies that are making a difference in combat today. These include advanced vehicle armor being used to protect Soldiers in High Mobility Multipurpose Wheeled Vehicles (HMMWVs); precursor FCS Unmanned Aerial Vehicles; and robotics being used to locate and defeat Improvised Explosive Devices.

Stable funding for FCS is vital for keeping the Army's principle modernization effort on track which keeps providing increased capabilities to our Soldiers. Cuts to the FCS program threaten to delay the delivery of needed capabilities to the force. FCS is about one-third of our equipment investment strategy and currently less than three percent of our fiscal year 2009 budget request, but is key to building the full spectrum capabilities we need in the 21st Century. We are leveraging this investment to provide FCS-enabled capabilities to the current force through Spin-outs, but we need to get these capabilities to our Soldiers faster.

Question. What is the impact to today's Soldiers of cutting FCS funding and moving program objectives to the right?

Answer. The impact to Army modernization and to the Soldier will be an ever-increasing delay in providing urgently needed modern capabilities while causing the Army to spend valuable resources on maintaining an ever-aging fleet of combat platforms.

The immediate impact and effect of the FCS funding reductions will result in delaying the early insertion of FCS (BCT) SO1 capabilities into the hands of our Soldiers (e.g., AN/GRS-9 and AN/GRS-10 Tactical and Urban Unattended Ground Sensors, the XM1216 Small Unmanned Ground Vehicle, the XM156 Class 1 Unmanned Aerial System and the XM501 Non-Line-of-Sight Launch System). Program funding reductions will hamper the maturation of these critical SO1 technologies and delay the fielding of the capabilities urgently requested by commanders in Iraq and Afghanistan for Warfighters. Developing and fielding these capabilities now allows our Soldiers to stay ahead of our adversaries' growing capabilities.

DEPLOYING MEDICALLY FIT SOLDIERS

Question. We spoke briefly about the physical and mental health of our Soldiers. The Denver Post recently reported that Fort Carson sent soldiers who were not medically fit to war zones in order to meet "deployable strength" goals. I'm not singling out Fort Carson. As a matter of fact, the post Commander has taken several steps to improve the negative image created by these reports. I know that some soldiers with limited duty profiles volunteer to return to Iraq and Afghanistan to serve their unit in an administrative role. Others are deployed to neighboring countries like Kuwait in support of the War, with an understanding that they will continue to receive medical care at that site. Can you confirm that the Army is not deploying soldiers medically unfit for duty in order to meet their deployable strength goals?

Answer. Soldiers who do not meet medical retention standards should be referred to a Medical Evaluation Board for a fitness for duty determination. A commander should never knowingly deploy a Soldier determined to be medically unfit. Not only would it endanger the Soldier, whose safety is entrusted to the commander, but it threatens the mission. If Soldiers cannot perform their duties, they would have to redeploy, leaving their units without their services until replacements could be deployed.

Army Regulation (AR) 40-501, Standards of Medical Fitness, dated December 14, 2007, provides guidance for healthcare providers and commanders to determine if a Soldier is medically fit to deploy. The regulation states that some Soldiers, be-

cause of certain medical conditions, may require administrative consideration when assignment to combat areas or certain geographic areas is contemplated to ensure that they are only required to perform duties within their medical capabilities, and without creating an undue hazard to their health and well-being or the health and well-being of others.

Medical standards for deployment are meant as general guides. The final decision is based on clinical input and commander judgment, which takes into account the geographical area in which the Soldier will be assigned and the potential environmental conditions the Soldier may be subjected to.

Question. When limited profile soldiers are deployed, is there a guarantee that they will receive adequate care to overcome their medical issues?

Answer. A Soldier with profile limitations should deploy only if the Commander can meet the limitations of the profile and ensure adequate medical care in theater. If a Soldier requires a certain level of medical care while deployed, the Unit Commander should contact the Theater Surgeon, who is the most senior physician in the combat theater, to ensure the required care is available. Commanders are charged with the care and oversight of their subordinates. Therefore, they have an obligation to ensure that the limitations of a Soldier's profile will be met in any environment to which the Soldier is deployed.

The disposition of Soldiers with limited profiles in a deployed environment is outlined in Army Regulation (AR) 40-501, Standards of Medical Fitness, dated December 14, 2007, which states that profiling officers should provide enough information regarding the Soldier's physical limitations to enable the non-medical commander and Army Human Resources Command to make a determination on individual assignments or duties.

Question. Is there pressure placed on junior commanders by senior level officers to meet unit strength requirements in support of a deployment? If so, are junior leaders taking too much liberty with their profile soldiers?

Answer. It is a common misperception that a Soldier with a limiting physical profile is non-deployable and yes, ultimately the Commander decides whether or not a Soldier deploys. However, physical profiles that state "non-deployable," "do not deploy," or "no field duty" are invalid. Profiles delineate physical limitations of the Soldier, not whether or not the Soldier is deployable.

Deploying a Soldier that is not capable of supporting the mission decreases mission accomplishment. It would be counterproductive to the command to deploy Soldiers that cannot contribute to mission accomplishment.

Question. How can the Army fix the situation?

Answer. Educating leaders and Soldiers and improving communication are the best ways to manage this situation. Deploying an unfit Soldier endangers the Soldier and the mission. Our process for identifying Soldiers who should not deploy for medical reasons is sound. Problems can occur if Commanders deviate from the process or do not communicate with health care providers. Army Regulation 40-501, Standards of Medical Fitness, dated December 14, 2007, details the joint responsibility of the Healthcare Provider and Commander to ensure the medical fitness of deploying Soldiers.

MENTAL HEALTH PRACTITIONERS

Question. An increasing number of Soldiers returning from combat duty have been diagnosed with varying degrees of Post Traumatic Stress Disorder (PTSD). There is no doubt that there is a relationship between suicide rates and PTSD. We must make sure that our men and women have access to the care they deserve when they return from combat. My staff has been investigating the status of behavioral health care throughout the military and has consistently found that behavioral health care assets remain in short supply. What is the Army doing to alleviate the shortage?

Answer. The Army is taking action on several fronts to alleviate the shortage of behavioral health providers. The backbone of our behavioral health services are our active duty providers, both in the theater of operations and in our military treatment facilities. These behavioral health providers are among the most highly deployed of any of our specialties, supporting our Combat Stress Control Teams and other units in Iraq and Afghanistan. To encourage active duty providers to join and stay in the Army, we offer financial incentives such as accession bonuses, retention bonuses, loan repayment, and education scholarships. The Army also offers several programs to recruit and train mental health professionals in uniform. These programs include the Clinical Psychology Internship Program, a Masters of Social Work program, a Clinical Psychology Training Program and a new Adult Psychiatric Mental Health Nurse Practitioner Program. Participants remain on active duty during these programs and incur additional active duty service obligations.

In 2007, we identified a significant gap between our behavioral health manpower requirements and the increased patient care demand. As a result, in June 2007, the Army authorized the hiring of 275 additional behavioral health providers in the United States. We have since identified additional overseas requirements that we are working to fill. As of March 7, 2008, we have hired and placed 147 additional providers. Unfortunately, the national shortage of behavioral health providers poses serious challenges to our recruiting efforts. Although we offer salaries based on the market conditions, we are still struggling to find providers in some of our remote locations.

The Army is also training primary care providers to help alleviate the pressure on our behavioral health providers. In 2006, we completed a successful pilot program at Fort Bragg, North Carolina called RESPECT-MIL that has been expanded to 15 installations. RESPECT-MIL is a program designed to decrease stigma and improve access to care by providing behavioral healthcare in primary care settings.

In addition to traditional behavioral health care settings and primary care settings, we are also expanding other portals to behavioral health services. For example, we are planning to hire an additional 40 substance abuse counselors as well as more than 50 marriage and family therapists. Finally, we are adding 99 social workers to our Warrior Transition Units.

NATIONAL GUARD PROVISIONS OF NDAA 08

Question. As you know, the Congress continues to provide additional funds for Guard equipment. This year will be no different and I will join with Senator Leahy in asking our colleagues to provide funding for additional full time manning. Additionally Senator Leahy and I were successful in getting portions of our Guard Empowerment legislation into law. Do you have any problems supporting the legislation that was passed in the fiscal year 2008 National Defense Authorization Act in support of strengthening the role of the National Guard within the Pentagon? If so, please identify those portions of the legislation that you find problematic?

Answer. The intent of the National Guard Empowerment provisions incorporated into the National Defense Authorization Act for Fiscal Year 2008 (NDAA 08) was to ensure that the National Guard would have a voice in policy and budget processes and decisions which effected the Guard, or which would benefit from the Guard's expertise and perspective. The Army has included the National Guard in its policy and budget processes for several years, and the Director of the Army National Guard and the Army National Guard staff are engaged as full partners in the Army's policy and budget decisions.

The Army participated fully in the work groups the Office of the Secretary of Defense (OSD) established last year to address, among other things, revising the National Guard Bureau (NGB) Charter and clarifying the NGB's role in Defense Support to Civil Authorities—both of which are addressed in NDAA 08. Those OSD work groups were formed in anticipation of the NDAA 08 changes to the roles and responsibilities of the National Guard, and in response to the Secretary of Defense's instructions to implement recommendations made by the Commission on the National Guard and Reserves in March 2007. The Army is pleased to have been a part of those Department of Defense efforts.

The Army remains confident in NGB's ability to coordinate and work closely with States and other agencies for non-federal and State missions that rely primarily on the Guard for support. Provisions of NDAA 08 appear to enhance NGB's ability to do so without diminishing its responsibilities to the Secretaries of the Army and the Air Force or reducing its ability to fulfill important dual-mission roles. This legislation further supports the Army Reserve and National Guard's role in the transition to an operational force. The Reserve Components are currently performing an operational role for which they were neither designed nor resourced. In order to meet the operational flexibility required to sustain the current conflict as well as respond to future conflicts, we are transforming how we train, equip, resource, and mobilize the Reserve Components to be available for mobilization and employment as cohesive units in accordance with the Army Force Generation cycle. We need to gain the support of the nation to accomplish this while preserving the All Volunteer force and the Citizen Soldier Ethos. Therefore, the Army supports the new legislation and will work closely with OSD to implement it.

QUESTIONS SUBMITTED TO HON. PETE GEREN

QUESTIONS SUBMITTED BY SENATOR RICHARD J. DURBIN

HELMET SENSOR PROGRAM

Question. What is the status of the Army's helmet sensor program as it relates to the war's signature wound, traumatic brain injury?

Answer. The Army has equipped two Brigade Combat Teams (BCTs) deploying to Operation Enduring Freedom (OEF) and Operation Iraqi Freedom (OIF) with a helmet sensor that mounts on the Advanced Combat Helmet (ACH). The combat helmet sensors will record helmet acceleration and pressure data in order to characterize the forces acting on a Soldier's helmet during events that may cause traumatic brain injury (TBI). The two BCTs are 4th Bde, 101st Airborne (Air Assault) (OEF) and 1st Bde, 4th Infantry Division (OIF). Units were equipped with helmet sensors prior to their deployment and personnel were trained to record data during the rotation.

Question. What is the plan to implement the program Army wide?

Answer. No decision has been made to implement the helmet sensor program Army wide. It is too early to accurately determine the utility of the helmet sensor for Soldiers.

Question. Exactly how will the data collected be used?

Answer. The Army seeks to constantly improve the performance of all protection systems including individual protective systems such as the Advanced Combat Helmet (ACH). The Army is also seeking to develop improved identification and treatment for head injuries or TBI. Helmet sensors will capture valuable data related to the forces acting on a Soldier's combat helmet. A currently funded medical research project coordinated by the Joint Trauma Analysis and Prevention of Injury in Combat Program in support of Program Manager Soldier Survivability will assess and validate the fidelity of the helmet sensor data within the context of operational events. The validated data will be used in studies that attempt to correlate the sensor data with resulting injuries. These data may make it possible to develop injury criteria and mitigation systems, together with performance standards that are necessary to support the development of improved individual protection systems, and diagnostic surveillance.

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

CONTRACTING TASK FORCE INITIATIVES

Question. Secretary Geren, in your 2008 Posture Statement you list a number of accomplishments among which are "Improved property accountability by providing Army wide visibility of 3.4 billion items valued in excess of \$230 billion" and "Formed the Army Contracting Task Force to review current contracting operations and then immediately began implementing improvements." How have these accomplishments or other initiatives you have undertaken addressed corruption, fraud or waste in Iraq and in other operations around the globe?

Answer. The Army has recently taken several initiatives to address corruption, fraud or waste in Iraq and in other operations around the world.

First, the U.S. Army Contracting Command (Provisional) has been established by consolidating the U.S. Army Contracting Agency and the various contracting organizations within the U.S. Army Materiel Command (AMC). The Army Contracting Command (Provisional) will eventually be a two-star level contracting command including two subordinate one-star level commands; the Expeditionary Contracting Command and the Installation Contracting Command. This reorganization will enhance warfighter support, leverage the use of resources, capitalize the synergy of contracting personnel, and establish uniform policies.

Second, as a result of the Army Contracting Task Force review and immediate corrective actions, the Army Contracting Command—Kuwait has generated cost savings in the following categories: claims cost savings of \$13.9 million this fiscal year to date; cost savings of \$36.6 million over four years on new contracts (Non-Tactical Vehicles); cost savings of \$88.7 million year to date by negotiating undefinitized contract actions; cost savings of \$33 million to \$40 million by deobligating unliquidated obligations from 1,689 contracts shipped from Kuwait to the United States for review; and cost savings generated by Contracting Officer's Representatives (CORs) through improving surveillance methods. Example: The COR on a Fuel Storage Contract was able to recoup from the contractor \$142,000 through enhanced surveillance techniques. The contractor was not delivering full loads of fuel. The long term

solution is to place government fuel meters between the delivery truck and the fuel farm to measure the actual quantity delivered.

Third, the Army has increased the scope and frequency of the Contracting Operation Reviews that look at contracting organizations to ensure contracting activities are following regulations and procedures and appropriately addressing emerging issues; including corruption, fraud or waste. These reviews are part of the routine examination of contracting activities along with audits conducted by the U.S. Army Audit Agency and the Army and Department of Defense Inspectors General.

Fourth, the Army has responded by improving integrated training and workforce skills in the areas of expeditionary and installation contracting. We have distributed the Joint Contingency Contracting Handbook and a Commander's Guide to Contracting and Contract Management. We have published a Contractors Accompanying the Force Training Support Package. This package is focused on contracting and contract management for non-acquisition personnel. Expeditionary/contingency contracting is being institutionalized in the Army through numerous websites and incorporation into training courses for Army officers, NCOs, and civilians.

FIRE SCOUT UNMANNED AERIAL VEHICLES

Question. Secretary Geren, I understand that in an effort to "spin out" technology developed as part of your Future Combat System, the Army stood-up the Army Evaluation Task Force in Fort Bliss, Texas to evaluate equipment and prototypes. This was done in an effort to provide your current forces enhanced capabilities instead of waiting for the whole Future Combat System to be field many years in the future.

I have been informed that Commanders in Operation Iraqi Freedom cite Unmanned Aerial Vehicles (UAVs) as one of their most pressing needs. And as part of Future Combat System, the Army procured eight Fire Scout Unmanned Aerial Vehicles, seven of which have been assembled and are sitting in a warehouse.

Given the creation of this new Evaluation Task Force at Fort Bliss and with the pressing need for Intelligence, Surveillance and Reconnaissance to help with force protection and other missions, why would the Army not load available sensors into these Unmanned Vehicles and evaluate this system to determine if your troops on the ground could benefit from these assets you already own instead of letting them sit in a warehouse until 2014?

Answer. The Army is considering the feasibility of fielding Fire Scouts to the Army Evaluation Task Force (AETF) to conduct developmental and system-level testing, as well as to develop tactics, techniques, and procedures and concepts of operation in the construct of the FCS Brigade Combat Team. The Training and Doctrine Command Commander was briefed in March 2008 on several options to accelerate the Fire Scout to the AETF and the Army is assessing options to accelerate the Class IV to the AETF.

Due to three consecutive years of Congressional funding cuts to the FCS program, the Army is carefully balancing its limited resources to meet both current operational requirements and prepare for future needs. If the plan to accelerate is approved and resourced, the Army will learn valuable tactics, techniques, and procedures while providing critical risk reduction benefits to the Fire Scout program.

Currently, the Fire Scout Air Vehicles procured to support the FCS System Development Demonstration phase of the program are at Moss Point, Mississippi, going through FCS Class IV UAV Phase I assembly. Phase I is part of a two-phase final assembly process which consists of installing and integrating the Global Positioning System/Inertial Navigation System, Identify Friend or Foe System, Radar altimeter, vehicle management computer, and associated brackets, cables and equipment to receive Phase II equipment.

FCS Class IV UAV Phase II assembly begins in 2nd quarter fiscal year 2010 and runs through 4th quarter fiscal year 2011. This process consists of integrating FCS Integrated Computing System, Airborne Standoff Minefield Detection System, Synthetic Aperture Radar/Ground Moving Target Indicator sensor, communications suites, data-links, and other FCS-unique equipment.

The FCS Class IV Fire Scout milestones remain well integrated within the FCS program. Key milestones include the Class IV Preliminary Design Review scheduled for December 2008, Class IV Critical Design Review scheduled for November 2009, and Class IV First Flight scheduled for January 2011.

QUESTIONS SUBMITTED BY SENATOR TED STEVENS

AIRLIFT REQUIREMENTS

Question. The initial Army plan was to transport FCS vehicles aboard C-130 aircraft. Now that this is no longer an option due to weight growth, what is the Army doing to determine its future airlift requirements for FCS?

Answer. Within the Future Combat Systems (FCS) Family of Systems, the Manned Ground Vehicle (MGV) is the only type not capable of transport on a C-130 due to weight and cube growth. The current concept for MGV transport for strategic and operational distances is on C-17 and C-5 aircraft. This will stay constant as the Army fields the 15 FCS equipped Brigade Combat Teams.

For future operational and tactical MGV airlift requirements, the Army's Joint Heavy Lift (JHL) program was being developed to support the concept of Mounted Vertical Maneuver. Simultaneously, the Air Force was developing the Advanced Joint Air Combat System (follow-on to the C-130) concept which is their next generation intra-theater aircraft. As a result of the 2008 Army-Air Force Talks, the JHL Initial Capabilities Document (ICD) will be merged with the Air Force Future Theater Lift ICD which will result in a material solution acceptable to both services. The Joint ICD is expected to be delivered to the Joint Requirements Oversight Council by fall of 2008. The ability to vertically lift medium weight (MGV, Stryker) loads will remain the principle Army requirement for future intra-theater airlift. An Analysis of Alternatives comparing known and projected solutions will likely be initiated within the next two years.

Question. Do you believe additional C-17 aircraft are needed?

Answer. The requirements for C-17 aircraft will be studied and analyzed during the conduct of the Mobility Capabilities and Requirements Study 2008 (MCRS 08). This study will be co-chaired by Office of the Secretary of Defense, Program Analysis and Evaluation, and the U.S. Transportation Command. The Army, through the Army Power Projection Program, has developed equities regarding current and future force projection capabilities in support of Combatant Commanders' requirements that must be incorporated into MCRS 08. From an airlift perspective, the study must address the requirements for surge airlift to move the modular force in accordance with current war plan timelines, and the appropriate C-5/C-17 fleet mix to move outsize cargo.

In addition to MCRS 08, the 2008 National Defense Authorization Act (NDAA) directs an Airlift Fleet Study be conducted by a federally funded research and development corporation to be completed by January 2009. The 2008 NDAA directs the Secretary of Defense to conduct a requirements based study for the proper size and mix of fixed-wing intra-theater and inter-theater airlift assets to meet the National Military Strategy. The study will focus on military and commercially programmed airlift capabilities, and analyze the lifecycle costs and alternatives for military aircraft to include the C-17 and C-5.

Upon completion of the MCRS 08 and the NDAA Airlift Fleet Study, the Army will be able to make an informed decision on the number of C-17s required to meet our strategic mobility requirements.

QUESTIONS SUBMITTED BY SENATOR PETE V. DOMENICI

WHITE SANDS MISSILE RANGE

Question. I understand that there is no funding in your fiscal year 2009 request to carry out your December announcement to relocate a brigade combat team to White Sands Missile Range as part the of the President's Grow the Army plan. What funding is needed for that relocation and when will the Army budget for those needs?

Answer. In accordance with the Secretary of Defense recommendation, the heavy brigade will relocate to White Sands Missile Range in fiscal year 2013. The cost to construct facilities for a brigade combat team (BCT) at White Sands Missile Range is currently estimated to be about \$506 million and will take approximately two years to complete. The \$506 million will fund organizational facilities such as unit headquarters, company operations facilities, maintenance facilities, barracks, and dining facilities. It will also provide related installation infrastructure by extending road networks and utilities to the BCT facilities. The specific sequence for project funding will be determined during fiscal year 2010-2015 Military Construction program development.

HIGH ENERGY LASER TEST FACILITY (HELSTF)

Question. The High Energy Laser System Test Facility (HELSTF) is a pre-eminent laser test facility and a Major Range and Test Base Facility. Yet your budget calls for mothballing certain HELSTF capabilities that other Defense services and agencies tell me they need. How do those cuts comply with your duty to maintain HELSTF as a Major Range and Test Base Facility for the good of all of DOD, not just the Army?

Answer. When preparing the fiscal year 2009 President's budget, the Army consulted with potential users across the Department of Defense (DOD) regarding requirements for use of the High Energy Laser System Test Facility (HELSTF) megawatt laser capabilities. At that time, we concluded there were no firm requirements for either the Mid-Infrared Advanced Chemical Laser (MIRACL) or the Sea Lite Beam Director (SLBD). The DOD Test Resource Management Center (TRMC) concurred with our decision when it certified our fiscal year 2009 test and evaluation budget on January 31, 2008.

As required by the fiscal year 2008 National Defense Authorization Act, the Army, with TRMC as the lead, is conducting a cost benefit analysis of the proposed reduction of funding at HELSTF. The analysis will include an updated survey of all DOD and Service projected requirements to determine if future year requirements have emerged since the initial survey for megawatt class chemical lasers.

HELSTF remains operational to support laser programs. HELSTF will be a vital asset as the DOD moves forward with solid states laser development.

SUBCOMMITTEE RECESS

Senator INOUE. The Defense Subcommittee will reconvene on Wednesday, March 5, at 10:30 a.m. At that time, we'll hear from the Department of the Navy. The subcommittee will stand in recess.

[Whereupon, at 12:12 p.m., Wednesday, February 27, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, March 5.]