

**Secretary Deborah Lee James Oral Testimony on the
Fiscal 2017 Defense Authorization
House Armed Services Committee
March 16, 2016**

JAMES:

Thank you, Mr. Chairman and Congressman Sanchez and to all the members of the committee. Good morning. My wingman General Welsh and I are very proud to come before you today to represent the nearly 660,000 active duty National Guard, reserves, and civilian airmen, plus all of our families, and we're certainly very honored to be here with our colleagues from the sister services as well.

When we testified before all of you last year, we outlined our three priorities, which are taking care of people, balancing readiness with our needs for modernization, and making every dollar count. These priorities have not changed over the last year. But what has changed -- and you've already touched upon it, Mr. chairman, is the threats that are facing our nation.

As we sit here today, our Air Force is working very, very hard to degrade, with the goal of ultimately destroying Daesh in the Middle East as part of a whole of government and as part of the coalition approach. In the last year, our coalition forces upped the ante against Daesh, flying more than 55,000 sorties in support of Operation Inherent Resolve, which represents a three-fold increase over the number sorties in 2014.

Moreover, a resurgent Russia continues to foment problems in Ukraine and has announced its intent to modernize its nuclear forces. And of course, we are watching and we are waiting to see what happens next in Syria. In addition, we've observed North Korea conducting illegal nuclear tests and a rocket launch just within the last month or so.

And we continue to see worrisome activity in the Chinese -- from China in the South China Sea. And of course, there are also very important growing threats in both space and cyberspace.

The bottom line here is that our Air Force is playing an absolutely essential role in each of these areas. We are fully engaged in every region of the world, in every mission area and across the full spectrum of operations. And to put it plainly, in my opinion, we have never been busier on such a sustained and global basis. And we are doing all of this with roughly 200,000 fewer people and 79 fewer fighters squadrons than we had at the time of Operation Desert Storm. So we are a much, much smaller Air Force.

Now, to continue confronting these challenges and in order to maintain an effective fighting force, our budget submission, which is now before you tries to balance capacity, capability and readiness appropriately. As has been mentioned, the Bipartisan Budget Act, we're very, very appreciative of the stability and the predictability that that give us, but it does leave us somewhat short, \$3.4 billion short, for the Air Force, as compared to what we originally requested for F.Y. 2017.

So this means that once again we had some tough choices to make in this budget. And I'll detail those budget choices as I discuss our top three priorities and I want to begin with the most important one and that's taking care of people. Airman and their families are the Air Force's most important resource. And our budget, I believe, reflects this truth. But with that said as I just mentioned, we have been downsizing for years and our people are very stressed and this simply needs to stop.

We now need to upsize our force modestly and we want to do it in a total force way to address a number of key areas. including critical career fields like intelligence, surveillance and reconnaissance, cyber maintenance across the Air Force, and battlefield airmen. These are some of the areas that we need to plus up.

We thank this committee for your support of our active duty plus up. You've also supported us, of course, in our guards and reserve as well. On the active duty, we'll go from roughly 311,000 to 317,000 airmen by the end of this fiscal year. But in reality, I think all these mission demands I just spoke about will indicate that we need more growth in F.Y. 2017.

So in order to meet that demand, I plan to take a judicious approach to incrementally increase our total force beyond the current level provided, of course, that we can get the right talent. And we would be grateful to this committee to consider a reprogramming action at the appropriate time should that be required.

Speaking of total force, we are continuing to maximize our use of the guard and reserve, by shifting additional missions and workload when it makes sense to do so. So, examples here include cyber, ISR command-and-control, mobility and space. So we are continuing to ship workload and missions as it makes sense.

We're also continuing to push the envelope when it comes to integration of our guard and reserve with our active. And that goes from the staff level at the highest headquarters all the way down to the wing level and to the flight line.

I also want to call to your attention, still on the subject of people, that we are expanding the Sexual Assault Prevention and Response Program. We're fully funding our childcare operations and we're making a big effort to fund the most important infrastructure projects to benefit our airmen, all as part of this budget. And of course, we, too, are looking forward to welcoming qualified women into the previously closed career fields.

The second priority I mentioned, is getting the balance right between readiness and modernization, and we believe strongly that we need both. We can't have either or. It's not an either/or proposition for us. So we've -- as we've explained before, less than half of our combat forces are ready for what we call a high-end fight, less than half.

And when I say high-end fight, I'm speaking of a conflict that might take place and anti-access, aerial denial environment, in other words, an environment where an adversary could shoot us down, interfere with us in some major way in space or in cyberspace.

In addition to all this, our aircraft inventory is the oldest that it has ever been. And of course, as you know, the adversaries are closing the technological gap on us. So, we must modernize. In terms of readiness, this budget funds flying hours to their maximum executable level, investing weapon system sustainment, and ensures combat exercises like red and green flag, remain strong.

After consulting with our combatant commanders, General Welsh and I agreed that we needed to make some adjustments in his budget to address these real-world changes that I mentioned. One of those adjustments is we are rephasing the A-10 and the (inaudible) retirements. And bottom line here is we are

not proposing to retire any of these aircraft in F.Y. 2017. Furthermore, we'll continue to look at the mix of aircraft each year and we'll be prepared to modify based on the global security situation.

We also need to ensure the right number and mix of manned aircraft -- unmanned aircraft -- sorry -- so we are going to invest more in additional reapers and we also need to invest more ammunitions. Again, this is contained in the budget request.

Turning to modernization, this year's budget will continue the ongoing investments to support our top priorities of nuclear deterrence, space and cyberspace. We're also continuing with the F- 35, the KC-46, combat rescue helicopters, JSTARS, we're going to get started on, as well as TX.

We also are going to continue to move forward with the B-21, which is formally known as the Long-Range Strike Bomber. This fifth- generation global precision attack platform will give our country a networked sensor shooter capability and propel us into the next century of air-powered dominance.

Now, unfortunately, modernization is also where we had to make some of those tough choices because of the insufficient budget. So, for example, with reluctance, we are deferring the purchase of five F- 35s in F.Y. '17 and three C-130Js in F.Y. '17. We will also have to delay some of our upgrades to the fourth-generation systems like the F-16. And many infrastructure projects will simply have to wait. So infrastructure is another tough choice for us, and I want to also support our department's request for a BRAC in F.Y. '19.

The third priority reflects our commitment to give the taxpayers the best bang for the buck, which is why we call it, Make Every Dollar Count. And we're working a number of initiatives here, including these who are working on streamlined energy usage, cost savings ideas that come directly from airmen that we then put into practice. And we're continuing the march toward meeting the mandates of the audit ready by the end of F.Y. '17.

So, Mr. Chairman, as I begin to wrap, again, I want to thank this committee and you for your leadership and support of the Bipartisan Budget Act. I want to associate myself with remarks about the need to list sequestration. I know many on this committee have tried very hard to do that.

If we return to sequestration and we once again have to park jets and take some of those very dire effects that we did the last time around, there's just no question in my mind this means that we will enter possibly a future conflict less prepared. And if you're a student of history, I like history. I try to be as student. History teaches us that the consequences of insufficient preparation are prolonged conflict and increased loss of life. So please keep up the fight to lift sequestration permanently.

And with that, I thank you, Mr. Chairman.