## Senate Appropriations Committee (SAC-D) Testimony

The Honorable Deborah Lee James Secretary of the Air Force Wednesday, 25 February, 2015

Thank you Mr. Chairman, Vice Chairman Durbin, and other members of the committee. We are very very pleased to be here this morning. And I am especially pleased to be sitting next to this gentlemen who is just a phenomenal Airman and a leader of our Air Force General Mark Welsh. Mr. Chairman we do have a prepared statement which we would ask be included in the record and then I if I may I'd like just summarize some of our key points.

When I testified before all of you last year, and I was a brand new Secretary of the Air Force I outlined my three priorities and they have not changed over course of the past year. The three priorities are: number one taking care of people, number two striking the right balance between the readiness of today and modernizing that means our readiness for tomorrow, and number three making every dollar count, that is to say we get that the tax payer dollar is precious and we can't afford waste a single dollar of it. So make every dollar count is one of the top three priorities.

Speaking personally for a moment, what has changed for me over the last year now is that I have under my belt quite a bit of traveling I've done to see our Air Force in action.

I've visited 60 bases in 28 states and territories, as well as I've been overseas to 12 different foreign countries in the past year and throughout each of these visits I have listened very very hard to our Airmen. To our leaders on the ground as well as the rank and file Airman all around the country and all around the world. And I will tell you the number one message they have told me is that the downsizing we have been going through in the United States Air Force has been extremely difficult for them. Especially the uncertainty surrounding that downsizing. Today, we are the smallest Air Force since our inception in 1947, and this is at a time when the demand for Air Force services is absolutely going through the roof. So ops tempo is extremely high. Just as you said Mr. Chairman we are also the oldest Air Force since our inception in terms of the age of our platforms. So on average our aircraft are 27 years old and there are many fleets that are substantially older than that. And at this time more than half of our combat air forces are not sufficiently ready for a high-end fight. A high-end fight meaning one where people are deliberately trying to interfere with you, shoot you down, and so forth. So we are concerned about half of our combat air forces not being sufficiently ready.

Yet as we sit here this morning nonetheless our people are pulling it together, and they are providing two-thirds of America's nuclear deterrent, they are performing Intelligence, Surveillance, and Reconnaissance (ISR) and strike missions in Iraq and Syria in the fight against ISIL, they are flying mobility missions in the Pacific, and reassuring European allies, as well as doing a variety of other missions to guard our Homeland.

These missions are critical to our Nation's defense and our Airmen are performing admirably. But with that said, it is a force under strain. We are a force under strain. We are working to meet the combatant commanders' most urgent needs, but a budget trajectory that results in sequestration will not allow us to sustain this pace. We will either break or we won't be able to execute the defense strategic guidance if we are forced to return to sequestration.

Now we've said many times over the past year that sequestration will damage national security so rather than living with sequestration levels, we are coming in as you noted Mr. Chairman with a budget figure for FY16 that is substantially closer to what we need to run the Air Force.

And for the Air Force as you mentioned, this is billions of dollars more than what sequestration

would give us, but it represents the difference between an Air Force the Combatant Commanders need to get their jobs done around the world and the one our nation expects, vice the type of an Air Force we would be forced to live with under sequestration which means we cannot meet the defense strategy.

Even with this higher figure Mr. Chairman under our President's budget proposal we still had to make some tough choices and I'll get into those in a moment or two.

Now let's go to the priorities, taking care of people. Taking Care of People remains my number one priority and I have become convinced that the downsizing must stop. As matter of fact I believe and so does General Welsh, we need to upsize modestly. So what we are looking for is a Total Force end-strength, that's Active, Guard and Reserve, of 492,000. And that's about a 6,600 increase. Some for the Active Duty, some for Guard and some for Reserve.

Again this is what we need to execute our defense strategy. It would help relieve some of the operational strain, the constant deployments that we've been facing, it would bolster our nuclear enterprise where we've directed additional resources to go in that direction, it would increase the number of cyber teams we're trying to build in our Air Force and it would shore up certain career fields where we are currently undermanned and the one that comes to mind is maintenance. So all these things that 6,600 increase to end strength would allow us to do.

By the way, for the Guard and Reserve, this budget will allow us to buy back F-15Cs for our ANG units and will make them active associations; we'll re-establish a classic association with the Global Hawk at Beale AFB; we'll be able to increase the use of our Guard and Reserve in our space missions and we will grow the reserves in cyber.

As you know, we owe you a report on the National Commission on the future Structure of the Air Force by March 4<sup>th</sup> so you'll get the full lay down of all that we are doing to increase integration, continuum of service and utilization of our Guard and Reserve.

Few more things on people we are expanding services in the important area of Sexual Assault Prevention and Response, support childcare, fitness centers, we're keeping our educational benefits strong for our Airmen, there are infrastructure projects to benefit them, and a 1.3 percent pay raise for both our military and civilian.

Now turning to readiness for a moment, that's the second priority, get the readiness and modernization balance correctly. So we need to rectify the readiness problem I told you about earlier, it's going to take time to do that, but we need to get going with it now just as we have been building back the last year or so. So we are going to fully fund flying hours to the maximum executable levels, invest in weapons system sustainment, and ensure combat exercises like Red and Green Flag that they remain strong.

General Welsh in particular, we both, but particularly General Welsh consulted closely with the Combatant Commanders as we built the budget. In view of additional dollars we received as well as the fact that the world circumstances have changed we are going to be meeting the Combatant Commanders' most urgent needs in this budget, including support for 60 steady-state ISR patrols, extending the life of the U-2 and Airborne Warning and Control System (AWACS) programs as a couple of examples. What they want is ISR, ISR, ISR.

We're also supporting important space programs and additional funding for the nuclear enterprise. Some of which I've already mentioned. When it comes to modernization, number one is the nuclear as I said, so we're developing the Minuteman III ICBM follow-on, accelerating the Long Range Stand Off weapon as well as a number of other investments plus the investments in space including Space Situational Awareness and GPS anti-jamming capability.

Moreover, our top three modernization programs—the KC-46, F-35, and Long-Range Strike Bomber, they will all remain on track under our budget.

And that leads me now to my third priority which is making every dollar count. And that's a very important one. And we're doing that under a number of efforts in this direction. We're: driving toward auditability of our books and we're getting there; we are taking a 20 percent headquarters reduction: this includes civilian positions, contractor positions and other reductions to get us there and we're doing it aggressively; we are also soliciting innovative and cost saving ideas from our Airmen and then we're implementing at least some of them to gain savings; and then of course energy is big picture in how we are going to get savings as well.

So there's a lot of good in our budget, but here comes the part that still was a difficult decisions. We are once again proposing to retire the A-10 over time, slowing the growth in military compensation and we are asking once again for an authority to do an additional round of base closures.

And we realize that none of this is popular and it's all hard. But if sequestration comes back the choices will be all the more dire.

As I said we will not be able to do the defense strategy and other very important decisions perhaps have to be shelved. For example the KC-10 refueler fleet, we would have to cut Total Force flying hours, weapons systems sustainment, a number of readiness areas would suffer, F-35 procurement would have to be reduced by about 14 and our program which I just told you about for ISR which is the number one thing our Combatant Commanders want more of would have to go down as well.

So you see, sequestration threatens everything. I am sure we can do better and I hope we will.

So in conclusion Mr. Chairman, I can confidently tell you and the other members, as well as the American people who are watching today, that your United States Air Force is unquestionably the best on the planet, but we are strained. And we are the best on the planet because of the men and women who execute the mission each and every day are doing the very best job possible.

But we mustn't take this assertion for granted. We can't let our edge slip away. Sequestration I say again must be lifted—permanently. And I ask you, please it must be lifted for the entirety of government and I would say particularly on behalf of my colleagues that we work with very closely State Department and DHS, these are very very close partners for us, in our overall national security profile.

I look forward to your questions and yield to General Welsh.