

RECORD VERSION

STATEMENT BY

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COMMAND

BEFORE THE

COMMITTEE ON APPROPRIATIONS  
SUBCOMMITTEE ON DEFENSE  
UNITED STATES SENATE

SECOND SESSION, 110TH CONGRESS

ON THE 2009 BUDGET FOR THE RESERVE COMPONENTS

MAY 14, 2008

NOT FOR PUBLICATION  
UNTIL RELEASED BY THE  
COMMITTEE ON APPROPRIATIONS

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**INTRODUCTION**

Chairman Inouye, Senator Stevens, members of the Senate Appropriations Defense Subcommittee, thank you for calling this hearing on the Fiscal Year 2009 (FY09) budget for our Reserve Components. As you know, after September 11<sup>th</sup>, the nation's Reserve Components were challenged to evolve from a strategic force in reserve to an operational force that is constantly deployed. It literally happened overnight. And now during the seventh year of this persistent conflict, demand for Army Reserve Warrior Citizens is such that between 25 and 30 thousand Army Reserve Soldiers are mobilized at any given time in the United States and in 18 other nations around the globe.

Last month the Army Reserve celebrated its 100<sup>th</sup> Anniversary. During our centennial celebration, Soldiers from every state took the oath of reenlistment here on Capitol Hill; committing to at least another two years of service to our Nation in the Army Reserve. When the Medical Reserve Corps originated on April 23, 1908 with 160 civilian physicians, it was unforeseen that 100 years later 12 to 15 percent of our force would be fully engaged in theater an operational force providing key capabilities to the Army.

We continue to meet our mission because our Soldiers are committed to serve the Nation, even as we undergo dynamic institutional and operational changes that challenge our state of readiness. And like the Active Component, the Army Reserve is a force that is out of balance but we are not broken. Historically, the Army Reserve has been a cost-effective, value-added Force as evidenced by what we accomplished with the FY07 budget Congress appropriated to us. That budget request of \$6.9 billion represented only 3.1 percent of the total Army budget, yet we:

- Mobilized more than 30,400 Warrior Citizens,
- Recruited 39,055 Soldiers,
- Retained 19,727 Soldiers (119 percent of our retention goals),
- Launched the Army Reserve Warrior and Family Assistance Center,
- Accelerated reorganization of the entire Army Reserve Training Structure,
- Executed two major Warrior Exercises involving more than 8,000 Soldiers,
- Moved 6,700 pieces of unit equipment to regional training centers,
- Aligned 78 percent of our strength into operational and deployable forces,
- Overhauled 4,139 pieces of equipment in the \$144 Million Depot Maintenance program,
- Fielded more than 17,000 items of equipment,
- Increased our aviation force structure by two Blackhawk companies,
- Activated and deployed the 316<sup>th</sup> Expeditionary Support Command – the primary logistics command supporting multinational forces in Iraq,
- Activated the 11<sup>th</sup> Theater Aviation Command,

- Activated or converted 386 organizations to new modular structure,
- Initiated the disestablishment of 12 Regional Readiness Commands,
- Initiated the establishment of four Regional Support Commands and 11 Operational Commands,
- Commissioned two water vessels, and,
- Initiated 23 BRAC and military construction projects.

More than 193,900 Warrior Citizens have mobilized since 9/11; they represent America's best and brightest. Our Soldiers, their Families and employers; however, are experiencing an operational tempo unlike their comrades in arms who served before them. As you know, earlier this year, the report released by the Commission on the National Guard and Reserves concluded that the Nation will continue to rely on the Reserve Components as part of an operational force for missions at home and abroad. To accomplish this, the report concluded, reforms are needed to ensure the readiness of the Reserve Components and to ensure our feasibility and sustainability over the long term.

To achieve our goal of transforming from a strategic force in reserve to an integrated, operational force, the Army Reserve relies on continued support from Congress via fiscal and supplemental budgets. Today, even though our mission has increased, our funding has not moved significantly beyond resource levels of the Cold War. Our FY08 budget request of \$7.1 billion represents four percent of the Army base budget. We are grateful for your support, our state of readiness relies on it, but our readiness is also impacted by our transformation, the operational tempo,

the stress on our Soldiers, their Families and employers, and the state of our equipment. All challenges we continue to address.

## **OVERVIEW**

I am here to discuss the President's Budget request for fiscal year 2009 and what it means to the Army Reserve. I will separate the budget request in to three categories, Reserve Personnel, Army (RPA); Operation and Maintenance, Army Reserve (OMAR); and Military Construction, Army Reserve, (MCAR).

In an environment of scarce human resources, RPA appropriations are vital for the Army Reserve to maintain our readiness by recruiting and retaining Warrior Citizens. The RPA appropriation increased six percent to \$3.9 billion which includes \$321 million for recruiting and retention bonuses. These bonuses are critical to the Army Reserve to sustain our effort to exceed our end strength of 205,000 Soldiers. For the first time in the 35 years since the birth of our All-Volunteer Force, we must recruit and retain our force during a period of protracted war. Traditionally, the Army Reserve has not grown its own force. We have relied on Soldiers who came off Active duty, but that's not happening any more. Now, our Reserve Soldiers are either leaving the service at the end of their commitment or they are going back on active duty. Last year 7,107 Warrior Citizens transferred to the Active Army. So while our force is contributing to the end strength of the Army, we impede our ability to reach our own end strength. We are short about 10,000 Soldiers and that affects our

readiness should our force be called to respond to another contingency at home or abroad.

The RPA also includes \$195 million for 47,000 Soldiers to attend professional military education. These schools are essential for the Army Reserve to support higher occupational skill qualification rates. We are not only interested in recruiting Army Reserve Soldiers who want to serve their country – we want to provide Soldiers the skills to better themselves and to give back to their community.

Our request for resources to increase the Active Guard Reserve end strength by 300 Soldiers was also included in the FY09 Budget, and we appreciate the President's support. But we must also rely on the FY09 Supplemental Request so the Army Reserve can continue to evolve to a more fully integrated operational force. The Army Reserve has requested \$80 million for additional training days for approximately 20,000 Soldiers and another \$82 million to resource up to 17 days of special pre-mobilization training. These funds are critical for the Army Reserve to properly prepare Soldiers and units as they ready to deploy.

As you know, the process that is driving much of our organizational change is the Army Force Generation or ARFORGEN model. ARFORGEN aligns Army Reserve units into five-year cyclical training and force sustainment packages.

Full implementation of ARFORGEN will improve our force by providing a predictable and rapid capability to synchronize our Soldiers and

resources with national and global mission requirements to increase unit readiness and provide a progression of trained, ready, and cohesive units. We have aligned approximately 80 percent of Army Reserve units into the ARFORGEN process, and we are working toward achieving the four years at home to one year deployed objective.

The President's FY09 budget request is essential to implementing ARFORGEN. The \$2.6 billion in the budget for OMAR is a 5.8 percent increase over FY08 and includes \$66 Million to support Army Reserve force structure rebalancing, increased training events and equipment. Our rebalance will replace less-equipment intensive units with more equipment-intensive units resulting in an increase demand for fuel, parts and sustained maintenance. Resources for base support services to 1,100 Army Reserve activities are funded at \$548 million, which translates to 92 percent of our essential needs with an increased emphasis on family programs and youth services. The \$256 million for Sustainment, Restoration and Modernization in the President's FY09 budget will allow the Army Reserve to continue to reduce our facility maintenance backlog by increasing our commitment to restore our facilities sustainment program worldwide to an adequate readiness level.

Our operational tempo is particularly difficult on Families. Although we recruit Soldiers, we retain Families. Our readiness depends on the ability to provide predictability to our Soldiers, their Families and employers. As with RPA resources, the Army Reserve must rely on the FY08 GWOT Supplemental request for OMAR funding to ensure we take care of Soldiers and their Families. Our supplemental request includes \$22.9 million for

family programs, \$4.1 million for the strong bonds program, \$13.7 million for tuition assistance, and \$3.6 million for post deployment health reassessments. The OMAR supplemental request also includes \$23.7 million to offset rising fuel costs.

Our Warrior Citizens are the core of your Army Reserve. Warrior Citizens bring maturity, experience and civilian-acquired skills to the Army. In theater, you cannot tell the difference between an Active Army Soldier and our Warrior Citizens. However, off the battlefield, the demands on our Warrior Citizens are great; in many respects greater than those an Active duty Soldier faces. Our Soldiers must balance civilian careers with military and family obligations; and most of our Families do not reside near military installations. Warrior Citizens must manage a delicate balance with employers who are often left with one less employee to conduct business. This balance is made the more challenging for our Soldiers by the Army Reserve's high operational tempo and ongoing organizational change.

The President's FY09 budget request for MCAR is \$281.7 million, which will allow the Army Reserve to invest in building five Army Reserve centers and to modernize Army Reserve Centers in four states. The end result will be 15 Reserve Centers supporting nearly 5,000 Warrior Citizens and four training ranges. We have also built in minor military construction funds to address unforeseen critical needs or emergent mission requirements that cannot wait for the normal programming cycle.

The bottom line, this persistent conflict requires the Army Reserve to transform from a strategic force in reserve to an operational force. The

Army cannot sustain this operational tempo without our Warrior Citizens and their contributions to the total force.

As the Army Reserve evolves to a more fully integrated operational force we recognize we cannot overlook the critical contribution employers make to national defense. The Citizen Soldier legacy is built on the backbone of citizens and employers sacrificing together to ensure our security. Employers are looking for the same skilled, capable, disciplined personnel we are. We can and should cooperate with industry in a number of ways for our mutual advantage: recruiting, training and developing the best and the brightest to serve. For our part, the Army Reserve develops discipline, Soldier and leader skills that are valuable to employers. Working with industry we can help employers fill occupational specialties where there have been traditional shortages of personnel. While we share an employee's talents and skills we can surely find ways to share the cost of benefits to our mutual advantage.

Last month, I was proud to launch our Employment Partnership to foster formal relationships between the U.S. Army Reserve and private sector. We signed agreements with INOVA Health Systems and the American Trucking Association. In the future, we hope to enter into comparable partnership projects with law enforcement, corrections, transportation, and other industry organizations leveraging Army Reserve core skill sets.

To improve Army Reserve personnel readiness, we rely on continued support from Congress to provide stable and predictable resourcing and

the authority for flexible management of incentives to recruit, retain, reassign, promote and train our personnel.

As the first federal Title 10 responder to support civil authorities during a domestic emergency, the Army Reserve is an important element of the current DoD "Lead, Support, Enable" strategy for Homeland Defense and Civil Support. Unit readiness for current and future peacetime contingency and major combat operations at home or abroad requires timely, predictable personnel resourcing and a full complement of equipment.

During our first 100 years, the Army Reserve repeatedly provided the most cost-effective federal force to the Nation. Continued support with resources and authorities from Congress ensures your Army Reserve is ready to serve the Nation any time, any where, now and in the future. Thank you for the opportunity to review the impact of the President's FY09 budget request for the Army Reserve. I look forward to your questions.