

**MILITARY CONSTRUCTION AND VETERANS
AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2012**

THURSDAY, APRIL 14, 2011

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

The subcommittee met at 2:02 p.m., in room SD-124, Dirksen Senate Office Building, Hon. Tim Johnson (chairman) presiding.

Present: Senators Johnson, Nelson, Pryor, Tester, Kirk, Hutchison, Murkowski, Blunt, and Hoeven.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE ARMY

STATEMENT OF HON. KATHERINE HAMMACK, ASSISTANT SECRETARY
OF THE ARMY (INSTALLATION, ENVIRONMENT AND ENERGY)

ACCOMPANIED BY:

**MAJOR GENERAL JAMES C. BOOZER, DIRECTOR OF OPERATIONS,
OFFICE OF THE ASSISTANT CHIEF OF STAFF (ARMY INSTALLATION
MANAGEMENT)**

**MAJOR GENERAL RAYMOND W. CARPENTER, ACTING DIRECTOR,
ARMY NATIONAL GUARD**

JAMES L. SNYDER, ASSISTANT CHIEF, ARMY RESERVE

OPENING STATEMENT OF SENATOR TIM JOHNSON

Senator JOHNSON. Good afternoon. This hearing will come to order.

I welcome everyone to today's hearing to discuss the President's fiscal year 2012 budget request for military construction (MILCON) and family housing for the Department of Army and the Department of the Air Force.

We will start with the Army. Our witnesses will be Katherine Hammock, Assistant Secretary of the Army for Installations, Energy and Environment; Major General James C. Boozer, Director of Operations for the Army; Major General Raymond W. Carpenter, Acting Director for the Army National Guard; Mr. James L. Snyder, Assistant Chief of the Army Reserve.

I would like to extend a personal welcome to General Carpenter, who is a fellow South Dakotan. I thank each of you for coming and I look forward to your testimony.

I remind my colleagues that in order to reserve the majority of time for the questions, our procedure will be to have opening state-

ments by the chairman and ranking member, followed by an opening statement from the Secretary and remarks from members of the panel. We will limit our first round of questions to 6 minutes per member, but we can have additional rounds, should we need them.

PREPARED STATEMENT

If there are any of my colleagues that wish to have statements submitted for the record, they will be accepted for the record without objection.

[A statement follows:]

PREPARED STATEMENT OF SENATOR ROY BLUNT

Thanks, Mr. Chairman and I appreciate the opportunity to hear from our distinguished witnesses from both panels today.

Missouri has two critically important bases in Whiteman Air Force Base and Fort Leonard Wood. I'm proud to represent the soldiers and airmen who serve at these facilities. Both have construction needs and I'm anxious to ensure that those needs are met to the greatest extent possible.

Missouri is also home to nearly 31,000 Guardsmen and Reservists, men and women who our Nation has relied upon like no other time in our history during the past decade. We need to do right by them and I look forward to working with you to meet their needs as well.

Obviously in today's fiscal environment it's more important than ever that we wisely invest our scarce resources. Ensuring that our soldiers and airmen are properly housed and have available amenities meets that test and I'm hopeful that this subcommittee will be able to do its work and deliver on those needs.

In particular I want to make a note of the tornado damage incurred at Fort Leonard Wood earlier this year. I had a chance to visit the base in the wake of that disaster and I'm hopeful that the Army will come through with needed repairs and upgrades, especially with regard to the base's housing facilities, in the near future. I'd like to ask Assistant Secretary Hammack if she can follow up with me after this hearing with an update on what is being done in this regard.

While I'm quite certain you already are in possession of these requests, I want to submit the highest priority requests from both Whiteman and Fort Leonard Wood for the record.

Once again, thanks for the work that you're doing to make the difficult decisions on where to prioritize resources for our soldiers and airmen. They're our Nation's most valuable asset and they deserve whatever we can feasibly provide for them during these difficult economic times.

[The following budget requests were submitted for the record from Fort Leonard Wood, Whiteman Air Force Base, and Missouri National Guard:]

FORT LEONARD WOOD—PROJECT PRIORITY LISTING: COMBINED (FISCAL YEARS 2013–2017 AND BEYOND)

2010 priority	Project number (PN)	Proponent	Project description	Command
1	78184	DPW	Permanent Party Barracks	IMCOM
2	65234	MEB	92d MP Bn Vehicle Maintenance Facility	FORSCOM
3	65679	MEB	5th En Bn & 50th MRBC Vehicle Maintenance Complex	FORSCOM
4	65236	MEB	92d MP Co Operations Complex	FORSCOM
5	66099	MEB	94th EN BN Complex Phase 2	FORSCOM
6	54489	DPW	Training Barracks Complex III, Phase 2	TRADOC
7	50486	DPW	Training Barracks Complex II, Phase 2	TRADOC
8	71502	DPW	AIT Barracks Complex 2, Phase I	TRADOC
9	55315	DPW	Training Barracks Complex VIII, Phase 1	TRADOC
10	71684	DPW	AIT Barracks Complex 2, Phase II	TRADOC
11	62160	DPW	Training Barracks Complex VIII, Phase 2	TRADOC
12	75019	DPTM	Engagement Skills Simulator (Training Support Center)	TRADOC
13	78185	DPW	Permanent Party Barracks Ph 2 on Indiana	IMCOM
14	78609	MEB	Deployment Railhead and Warehouse	FORSCOM
15	78610	MEB	Deployment Complex at Airfield	FORSCOM

FORT LEONARD WOOD—PROJECT PRIORITY LISTING: COMBINED (FISCAL YEARS 2013–2017 AND BEYOND)—Continued

2010 priority	Project number (PN)	Proponent	Project description	Command
16	33713	USAES/DOL/Joint ..	Dining Facility TA–244	IMCOM
17	75475	USAMPS/USMC	Marine/MP EVOC Driving Range	TRADOC
18	70362	USAES	Joint Assault Bridge & Armored Breach Vehicle	TRADOC
19	73998	MWR	Fitness Center, MANSCEN	IMCOM
20	75095	MEB	Supply Support Activity Warehouse	FORSCOM
21	69357	DPW	Installation Infrastructure Upgrades	IMCOM
22	51908	USAES	Engineering Veh Maint Facility—TA–244	AMC
23	58904	USACBRNS	58th Trans Bn Veh Maint Facility	AMC
24	62560	DOL	Warehouse Facilities Phase 1	IMCOM
25	75675	RMD	Revitalize Modified Record Fire Range, Rg 20	TRADOC
26	19555	USAES	Combat Bridge Complex TA–250	TRADOC
27	25927	USAES	Sapper Leader Course Complex	TRADOC
28	75676	USAMPS/RMD	Scout/Reconnaissance Gunnery Complex	FORSCOM
29	71621	RMD	Explosive Ordnance Clearance Agent (EOCA) Course	TRADOC
30	59546	USAMPS	USA MPS Crime Scene Investigation Facility	TRADOC
31	75660	DES	Fire Station No. 3 and Admin. Building	IMCOM
32	65680	MEB	5th EN BN Bn and Co Operations	FORSCOM
33	19551	USAES	Field Engineer Complex Rg 33	TRADOC
34	75705	DPW	43rd AG Barracks, Classrooms	TRADOC
35	59547	MARINE	Vehicle Maint Facility—USMC	TRADOC
36	75708	USAMPS	Large MOUT	TRADOC
37	61218	NCOA	NCOA Training Complex	TRADOC
38	65418	USAES	Vehicle Wash Facility at TA–244	IMCOM
PROJECTS ABOVE THIS WILL BE SUBMITTED FOR FISCAL YEAR 2017. PROJECTS BELOW THIS LINE REMAIN AS ON THE LIST FOR SUBMISSION IN FUTURE YEARS.				
39	52304	MARINE	Consolidated Marine Maintenance Training Facility	TRADOC
40	55028	MSCoE	International Student Liaison Office	TRADOC
41	75707	USAMPS/RMD	Range 13–3 Story Shoot House	TRADOC
42	58021	DPW	Force Protection Barriers	IMCOM
43	59662	DPTM	Force Mod Deployment Complex	IMCOM
44	71624	USAMPS	Joint Nonlethal Training Center	TRADOC
45	65688	MEB	FORSCOM Engineer Training Areas	FORSCOM
46	75349	CDID	CDID Building	IMCOM
47	58608	USACBRNS	Joint Service Chemical Training Center	TRADOC
48	75724	USAES	Warmup Shelters at TA–236	IMCOM
49	75726	USAES	TA–244 Latrine and Water Facilities	IMCOM
50	75728	MEB	4th MEB Gymnasium	IMCOM
51	75727	MEB	4th MEB Chapel	IMCOM
52	75729	MEB	4th MEB Dining Facility	IMCOM
53	75736	USAMPS	Forensic Science Training Facility	TRADOC
54	75735	RMD	Relocate Robotic Training Area	TRADOC
55	75737	MEB	Tank Trails—4th MEB to TA–244	FORSCOM
56	75734	DPTM	Air Traffic Control Tower	IMCOM
57	75741	MEDDAC	Dental Clinic at 43 AG	TRADOC
58	75738	DPW	Warehouse Facility Phase 2	IMCOM
59	75732	DPW	Range Road Improvements Phase 1	IMCOM
60	75731	DPW	Upgrade Constitution Avenue Bypass	IMCOM
61	65441	EOC	Emergency Operations Center/Post HQ	IMCOM
62	65189	DOL	Logistics Maintenance Facility	IMCOM
63	59615	MWR	Pippen Youth Center	IMCOM
64	62951	MEB	Operational Readiness Training Center	FORSCOM
65	60780	DES	Directorate of Emergency Services	IMCOM
66	75730	RMD	TA–236 Classroom (Driving Skills Pad)	TRADOC
67	62911	USAMPS	DA Police Academy Facility	TRADOC
68	52843	DPW	Improve/Widen FLW 1	IMCOM
69	75739	DENTAC	Dentac Administrative Facility	IMCOM
70	77602	DPW	Education Center	IMCOM
71	78392	DPW	Band Building	IMCOM
72	65718	DPW	Soldier Readiness Processing Center	IMCOM
73	78611	DOL	Ammunition Bunkers	AMC

FORT LEONARD WOOD—PROJECT PRIORITY LISTING: COMBINED (FISCAL YEARS 2013–2017 AND BEYOND)—Continued

2010 priority	Project number (PN)	Proponent	Project description	Command
74	52845	DPW	Training Barracks Complex IV, Phase 1	TRADOC
75	62156	DPW	Training Barracks Complex IV, Phase 2	TRADOC
76	52846	DPW	Training Barracks Complex V, Phase 1	TRADOC
77	62157	DPW	Training Barracks Complex V, Phase 2	TRADOC
78	55314	DPW	Training Barracks Complex VII, Phase 1	TRADOC
79	62159	DPW	Training Barracks Complex VII, Phase 2	TRADOC
80	55316	DPW	Training Barracks Complex IX, Phase 1	TRADOC
81	62161	DPW	Training Barracks Complex IX, Phase 2	TRADOC
82	55317	DPW	Training Barracks Complex X, Phase 1	TRADOC
83	62162	DPW	Training Barracks Complex X, Phase 2	TRADOC
84	77353	DPW	AIT Complex 3, Ph 1	TRADOC
85	77354	DPW	AIT Complex 3, Ph 2	TRADOC
86	77603	DPW	AIT Complex 3, Ph 3	TRADOC

Approved/Disapproved.
David E. Quantock, Major General, USA, Commanding. Date: August 25, 2010.

WHITEMAN AIR FORCE BASE—PRIORITY LIST AND CURRENT MISSIONS



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FY 13 MILCON Priority List

Priority	PN	Project Title	PA (\$K)
1	YWHG031002R2	CONSOLIDATED AIR OPERATIONS FACILITY	23,500
2	YWHG071005	WSA SECURITY CONTROL FACILITY	4,800
3	YWHG013001R2	ADD/ALTER FITNESS CENTER & HAWC	22,200
4	YWHG031003R1	CRASH/STRUCTURAL FIRE STATION	16,000
5	YWHG101000	CONSTRUCT NEW ECP AT ARNOLD GATE	8,500

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Current Mission

Consolidated Air Operations Facility

- Project Description (U):**
 - Construct new Consolidated Air Operations Facility
- Mission Impact (U):**
 - Mission planning takes extra time due to separated facilities, 4,000 man-hours lost per month
 - Alert Air crews are housed in trailers that are undersized and expensive
 - Alert Facility is too far from docks necessitating a temporary facility closer
 - The air crews are put at risk as they transit between facilities to accomplish pre mission briefings

<p><u>Facility Status (U):</u></p> <ul style="list-style-type: none"> • FY 2013 • \$23.5 M, 79,190 SF • DD Form 1391: 28 July 2010 • CCD Complete • Status of Economic Analysis: 50% • Status of NEPA: CATEX A2.3.11 • Status of Design: 15% 		<p><u>Current Situation (U):</u></p> <ul style="list-style-type: none"> • MDI = 85 • FCI .65 / Q4 • Demolition included: 94,912 SF • Currently workarounds are the trailers and LRS transports, these are not sufficient to maintain indefinitely
MAJCOM/CC Priority: #2		MAJCOM: AFGSC

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Current Mission

WSA Security Control Facility

- Project Description (U):**
 - Construct WSA Security Control facility. (Current Mission)
- Mission Impact (U):**
 - If left unaccomplished, the functions will remain in their current facilities and be at risk from attack.
 - Security for WSA will remain non-compliant with nuclear security requirements with inadequate protection against stand-off weapons and bulk explosives. Compensatory measures include additional random patrols and installation of expensive piecemeal alterations.
 - Alert fire team has no adequate staging point for their mission, does not have proper defensive positions

<p><u>Facility Status (U):</u></p> <ul style="list-style-type: none"> • FY 2011 • \$4.8 M, 4,499 SF • DD Form 1391: 28 July 2010 • CCD Complete • Status of Economic Analysis: Complete • Status of NEPA: CATEX A2.3.11 • Status of Design: 15% 		<p><u>Current Situation (U):</u></p> <ul style="list-style-type: none"> • MDI = 90 • FCI .80 / Q4 • Demolition included: 3,131 SF • Current facility does not meet Air Force standards no adequate work around exists
MAJCOM/CC Priority:		MAJCOM: AFGSC

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Current Mission

ADAL Fitness Center and HAWC

Project Description (U):

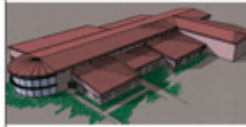
- ADD/ALTER Fitness Center. (Current Mission)

Mission Impact (U):

- Per the USAF Fitness Facility Design Guide the Fitness Center is 48% deficient in floor space
- The Base also lacks an indoor running track sufficient for PT testing, this added to the recent change to PT testing requiring all personnel to test every 6 months, has made scheduling tests during inclement weather unavoidable, to uphold AF standards, an indoor surface is required
- The facility was not designed to meet current seismic load standards and is incapable of accepting a second story

Facility Status (U):

- FY 2013
- \$22.2 M, 47,743 SF
- DD Form 1391: Complete
- CCD Complete 2005
- Status of Economic Analysis: 10%
- Status of NEPA: CATEX A2.3.11
- Status of Design: 15%



Current Situation (U):

- MDI = 71
- FCI/Q rating=.0148/Q1
- Facility is 48% undersized according to Air Force Standards
- Demolition included: 100,307 SF

MAJCOM/CC Priority:

MAJCOM: AFGSC

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MISSOURI NATIONAL GUARD—LONG RANGE CONSTRUCTION PLAN 2010

Priority	Project number	City	Name	Type	Facility	FED
1	290186A	Springfield	Readiness Center	MILCON	29809-00001	\$14,442,000
2	290117A	Kansas City, North.	Readiness Center	MILCON	29B42-00001	13,095,000
3	290221A	WAFB	AASF PH II	MILCON	29B60-AASFW	13,794,000
4	290179A	North St. Louis	Armed Forces Reserve Center.	MILCON	29C64-00001	12,914,000
5	290211A	Macon	Field Maintenance Shop.	MILCON	29B78-OMS8A	5,670,600
6	290222A	Fort Leonard Wood.	RTI Phase II	MILCON	29C77-RTI02	24,871,000
7	290009A	Kansas City	Field Maintenance Shop.	MILCON	29B41-OMS1A	17,093,000
8	290219A	Macon	Land Acquisition	MILCON	29B78-1LAND	3,000,000
9	290187A	Springfield	Field Maintenance Shop.	MILCON	29C20-OMS16	5,709,400
10	290109A	Springfield	AVN AVCRAD EXP/ALT PHASE II.	MILCON	29D01-00001	51,533,000
11	290111A	Springfield	AVN AVCRAD EXP/ALT PHASE IV.	MILCON	29D01-00001	39,368,000
12	290223A	Camp Crowder	Barracks #3	MILCON	29155-00753	1,500,000
13	290224A	Camp Crowder	Barracks #4	MILCON	29155-00754	1,500,000

Stephen L. Danner, Brigadier General, Missouri National Guard, the Adjutant General. Date: March 30, 2010.

Senator JOHNSON. The Army's request for MILCON, family housing, and base realignment and closure (BRAC) is \$5.3 billion, 33 percent less than the fiscal year 2011 request. That is a very large reduction and I hope the panel will address some of the reasons for it. I note that the Army has a number of major initiatives underway that are not reflected in this budget, but will impact future MILCON requirements. These include the decision to retain three brigade combat teams in Europe instead of four, and the Secretary's announcement of a reduction of 27,000 in Active Army end strength by 2015. I will be very interested to hear how the Army is preparing to meet these challenges.

Senator, Kirk, would you care to make an opening statement?

STATEMENT OF SENATOR MARK KIRK

Senator KIRK. Thank you, Mr. Chairman and I am very happy to be here in my first time role as a ranking member.

I, too, share your concerns about the implications of the Department's April 8 decision on the brigade combat teams in Europe and so my specific question will be the implications for Schweinfurt and Bamberg and what that means for this subcommittee and this future budget.

Also looking at the Government Accountability Office report on our requirements, in general, I, in my experience, sort of see Europe becoming a huge military gas station for onward deployment to Unified Protector or New Dawn operations or Operation Enduring Freedom. We do have a 27,000-man reduction and so it's the impact on the MILCON budget is something that I would like to hear about.

We have expressed our concerns about the full-tour norm proposal for Korea, which looks extraordinary expensive. And when I have seen the—also the move that has no real controversy from the Seoul area to the Camp Humphreys area, and I was struck in my preparation for this hearing that the overseas housing allowance for Seoul is \$3,800 per soldier, per month, but the Camp Humphreys number is \$4,200 and that surprised me, given the relocation.

It does appear that, as the Army is becoming much smaller, it may almost be Rumsfeldian in its level as we go back to that. And I would like to see a longer term plan, because it does appear that the Army will be much heavier on aviation brigades, air defense artillery, including theater high-altitude area defense, and the personnel to support that.

I also looked at the Air Force side, which we are going to have in the second panel, and looking for an Andersen Master Plan, my team gave us the original one, which is kind of chamber of commerce-esque, but there is one chart in here and as I did with our Office of the Secretary of Defense folks, to lay out the more comprehensive chart for Guam to see if we could get that, my final concern with regard to the Air Force is the growing role of unmanned aerial vehicle systems and looking at an unmanned beddown plan that also includes the Air National Guard, and see if we could have that emerge from the hearings.

[The information was not available at press time.]

And with that, Mr. Chairman, back to you.

Senator JOHNSON. Secretary Hammack, General Boozer, General Carpenter, and Mr. Snyder, thank you again for appearing before our subcommittee. Your prepared statements will be placed in the record, so I encourage you to summarize your remarks to allow more time for questions.

Secretary Hammack, please proceed.

SUMMARY STATEMENT OF HON. KATHERINE HAMMACK

Ms. HAMMACK. Thank you, Chairman Johnson, Senator Kirk, and other members of the subcommittee.

We greatly appreciate your support of the Army's MILCON programs. These investments have provided our soldiers the facilities they need to fight in two wars and hopefully return from two wars. But at the same time, we are working to reduce our energy footprint and be good stewards of the environment.

I do want to talk briefly about the impact that a continuing resolution has upon our ability to enact the fiscal year 2011 MILCON budget. Currently, we have \$1.9 billion in projects that are ready to award. These are projects that have been bid, they are thoroughly designed, and some of the bids are aging.

Unfortunately, these are projects, since we have been unable to award to date, that are jobs waiting to be awarded. And these are constituents in your States: \$300 million in Alaska, \$198 million in Texas, and I could go on. Every State of just about every member on this subcommittee has projects that are waiting to be awarded. So I ask for your support to enact legislation today that enables us to move forward with fiscal year 2011.

But keep in mind that this does not put our fiscal year 2012 projects in jeopardy. Even some of the phased projects are able to be phased together and in fact there may even be efficiencies by grouping these closer together. So we would hope, not only that you enact legislation to enable us to proceed with fiscal year 2011, but that our fiscal year 2012 budget is approved in an expeditious manner so that we can proceed with that.

As you said, we did submit written statements, so I will focus on only a few areas, the first being MILCON, the second efficiencies, and the third being energy and the environment.

As you stated, our budget is \$5.3 billion for MILCON in fiscal year 2012, and that is a 33-percent reduction or a \$2.6 billion reduction from the previous year. A portion of that, approximately \$1 billion of that reduction comes from BRAC, and the fact that we are completing BRAC and will be complete by September 15 of this year means that we are not asking for more MILCON dollars for BRAC. Another portion has to do with us completing programs, such as the barracks buyout or the Army's growth to 45 brigade combat teams. We are completing those projects.

But we did implement an efficiency in deferring \$1.4 billion in construction. And what we deferred were projects that we considered to be low to medium risk that, to impacting mission, are not mission-critical facilities. They are important to the Army and we are reevaluating everything for the fiscal year 2013 program year.

One of the things we are doing for fiscal year 2013 is reexamining our facility investment strategy. We are looking at the kinds of facilities we build, we are looking at the energy efficiency of the

facilities, we are looking at the size of the facilities and we are also looking to invest more money in sustainment, restoration, and modernization so we can make better use of facilities that we already have. So although this is a reduced MILCON request for us, we do not feel that it jeopardizes the Army mission.

We have also returned \$1 billion over the last 2 years from bid savings. We have seen, in this economic decline, that the cost of constructing the projects is lower than the bid or the programmed amount. So we have seen savings that we are returning.

BID SAVINGS

We have retained a small portion of the bid savings, and those we are using for unexpected requirements such as some of the problems we saw at Fort Leonard Wood where we had to rebuild some facilities because of tornado damage, we had some other emergency requirements in the Southwestern United States, some are going to energy efficiency or other unexpected reprogramming requests.

We are examining all solutions, and we are looking for efficiencies, and we are looking for cost savings.

In energy, we are building more efficient structures, more efficient power generation, and we are also looking at the efficiency of vehicles that we are investing in because we are aware that efforts to reduce energy here in the United States and at home station also has effect on how we use energy in contingency operations.

Our cost for energy is approximately \$4 billion a year and so we are focused on operational energy savings as well as we invest in more efficient structures, vehicles, and other technologies for our soldiers.

The Army environmental program needs an investment of \$1.4 billion to ensure that we have adequate environmental resources to support the mission. Some of this is going to BRAC so that we are able to conduct remediation efforts so that the properties can be utilized by the local community for a productive purpose.

PREPARED STATEMENT

I would like to give time for the fellow panel members to talk, so in close, I look forward to working closely with you and the subcommittee and answer any questions you might have. Thank you.
[The statement follows:]

PREPARED STATEMENT OF HON. KATHERINE HAMMACK

INTRODUCTION

Good afternoon Chairman Johnson, Senator Kirk, and members of the subcommittee. I appreciate the opportunity to explain the Army's fiscal year 2012 budget needs and requirements.

The Army's fiscal year 2012 installations management budget request will continue to invest in facilities infrastructure required to support highly visible and synchronized initiatives of base realignment and closure (BRAC), growth of the force to 45 brigade combat teams with an end strength of 547,400 soldiers, transformation to a globally postured and versatile modular force, and the Reserve components transformation from a strategic force to an operational force. Your subcommittee's commitment to our soldiers, families, and civilians and support of the Army's military construction (MILCON) program is deeply appreciated. The Army's strength is its soldiers—and the families and Army civilians who support them. They are and will continue to be the centerpiece of our Army.

The level of investment required to complete Grow the Army (GTA), global defense posture realignment (GDPR), and BRAC is declining. This permits the Army to focus on the funding to recapitalize and modernize legacy facilities, construct new facilities to eliminate deficit requirements, such as quality of life, and complete both permanent party and training barracks buy-out programs. Continued timely and predictable funding is critical as we transition from a period of prolonged conflict to one of increased stability while continuing to focus on rebalancing the force and maintaining a combat edge developed through a decade of war.

IMPACTS OF THE CONTINUING RESOLUTION

Under the current continuing resolutions, the Army is unable to proceed with the MILCON projects we requested more than 1 year ago—projects that are needed to continue the momentum required to meet our goals. We have approximately \$1.8 billion of Army MILCON projects—across all components—that are ready to award pending receipt of an appropriations bill or new start authority. As long as new starts are prohibited, we risk increased cost to re-advertise projects, shortened construction seasons—especially in northern climes, and delays to ongoing consolidation and stationing actions. So, I strongly urge the subcommittee to work hard to pass the fiscal year 2011 appropriation bills.

OVERVIEW

The Army's fiscal year 2012 President's budget requests \$5.3 billion for MILCON, Army family housing (AFH), and BRAC, which is \$2.6 billion less or a 33-percent reduction from the fiscal year 2011 request. This represents 3.6 percent of the total Army budget. Of the \$5.3 billion request, \$3.2 billion is for the Active Army, \$774 million is for the Army National Guard, \$281 million is for the Army Reserve, \$300 million is for BRAC, and \$682 million is for AFH. Although the overall MILCON funding level declines due to completion of BRAC construction and reduced investments in major initiatives such as GTA and GDPR, the Army continued to follow the "pillars of priority" in development of the fiscal year 2012 MILCON program which supports Army imperatives of sustain, prepare, reset, and transform.

The five pillars of priority are the foundation of the MILCON program. The pillars address all categories of facilities in the Army facilities portfolio for Active and Reserve component forces. The pillars are:

Global Defense Posture Realignment/Grow the Army.—GDPR construction provides facilities to ensure Army forces are properly positioned worldwide in support of the National Military Strategy. GTA supports the fiscal year 2013 Army end strength of 1,111,600 (547,000—Active Army; 358,000—Army National Guard; and 206,000—Army Reserve) necessary to increase Active component dwell time to 1:2 years and Reserve component dwell time to 1:4 years. Construction provides facilities for brigade combat teams and combat support/combat service support units activated as part of GTA. The Secretary of Defense recently announced a reduction of 27,000 in Active Army end strength planned for 2015. Unit level details of this reduction, and therefore impacts to facilities, will not be known for some time.

Transformation.—Supports the Army's transformation to a modular force, enables critical force structure initiatives, and eliminates inadequate permanent party and trainee barracks. The last inadequate permanent party spaces are planned to be removed after the new barracks are fully occupied in fiscal year 2015, if we have new start authority for our fiscal year 2011 projects.

Modernization.—Supports ongoing investment in recapitalization of operations infrastructure and quality of life facilities.

Training Support.—Supports ongoing investment in modernization and revitalization of Army training ranges, training centers, and supporting infrastructure.

Strategic Readiness.—Supports the modernization and recapitalization of the Army's industrial base, pre-positioned stock facilities, and transportation infrastructure.

In addition to the \$5.3 billion investment in our MILCON programs, the Army is sustaining its existing facilities by requesting \$3.4 billion in the President's budget for sustainment, restoration, and modernization and demolition. The request is \$2.5 billion for the Active Army, \$618 million for the Army National Guard, and \$255 million for the Army Reserve.

The fiscal year 2012 base operations support (BOS) program request is \$9.3 billion (Active Army—\$7.7 billion; Army Reserve—\$0.6 billion; Army National Guard—\$1 billion), an increase of \$181 million more than the President's fiscal year 2011 budget request and a decrease of \$1.5 billion from fiscal year 2010 execution. The Army

anticipates lower BOS requirements associated with efficiencies, installation closures associated with BRAC and the missions transferred to other services under joint basing. BOS is vital in all aspects of mission readiness and training, provides for operating and maintaining installations that serve as our Nation's power projection platforms, and provides essential services and programs promoting quality of life for soldiers, families, and civilians—essentially, the Army installations equate to the Army's home and workplace for soldiers, family members, and civilians.

The Army is executing a tightly woven plan integrating BRAC, GDPR/GTA, and transformation to a modular force as facilitated by MILCON, sustainment, restoration, and modernization, and BOS. The strategy includes aligning facilities to support a U.S.-based force structured as an expeditionary Army; completing facilities and moving personnel to comply with BRAC 2005 law by 2011; and completing GDPR/GTA by 2013. Facilities modernization for modular force units converted from the legacy force structure extends beyond 2016. The fiscal year 2012 MILCON request is crucial to the success of the Army's strategic imperatives to sustain, prepare, reset, and transform the force.

FISCAL YEAR 2012 BUDGET REQUEST

Military Construction, Army

The Active Army fiscal year 2012 MILCON request is for \$3,236 million (for appropriation and authorization of appropriations) to support the army imperatives of sustain, prepare, and transform.

Grow the Army (\$164 Million/5 Percent).—The GTA request in fiscal year 2012 funds four projects. The total includes \$137 million for operations facilities, \$23 million for a training barracks, and \$3.6 million for one operational support facility. These facilities are essential to support growth in the Army's combat support and combat service support force structure and establish the appropriate training support infrastructure for a 45-brigade combat team Active Army.

Global Defense Posture Realignment (\$178 Million/6 Percent).—The request includes \$80 million for barracks, an entry control point, and the third phase of the drainage system at Bagram Air Base, as well as \$49 million for a brigade complex at Fort Bragg as part of the Army Patriot units' global realignment, and \$49 million for a maintenance facility at Fort Leonard Wood.

Transformation (\$1.165 Billion/36 Percent).—The fiscal year 2012 request of \$639 million supports the stationing of units in support of weapons systems; theater high-altitude area defense; joint land attack cruise missile defense elevated netted sensor; combat aviation brigades; and enhanced range multipurpose unmanned aerial vehicle units. Another \$526 million will provide permanent operations and maintenance facilities and barracks to support the conversion of existing forces into new modular force units for the Active component. The Army strategy is to use existing facility assets to support transformation where feasible and program new construction projects when existing facilities are inadequate.

Barracks Modernization (\$296 Million/9 Percent).—The fiscal year 2012 request will provide for 3,482 new permanent party barracks spaces that will meet Department of Defense "1 + 1" or equivalent standard and complete the permanent party barracks buyout program by fiscal year 2013 and beneficial occupancy by fiscal year 2015. In addition to the barracks modernization program, additional barracks projects are included in the fiscal year 2012 request that support GTA, transformation, and modernization pillars. These projects are located at Joint Base Lewis-McChord, Forts Bliss, Carson, and Knox, Germany, Honduras, and Korea. The total fiscal year 2012 investment in permanent party barracks is \$562 million.

Training Barracks Modernization (\$59 Million/2 Percent).—The fiscal year 2012 request will provide 1,140 new training barracks spaces for our soldiers that meet applicable standards. One trainee barracks complex is at Fort Jackson. In addition to the training barracks modernization program, a second trainee barracks complex at Fort Benning is funded under the GTA pillar. The total fiscal year 2012 investment in training barracks is \$82 million.

Modernization (\$685 Million/21 Percent).—The fiscal year 2012 request consists of 30 projects with investments of \$258 million for operations facilities, \$321 million for operational support facilities, and \$106 million for quality-of-life projects.

Training Support (\$340 Million/11 Percent).—Training support facilities include training ranges to support multiple weapon systems, land acquisitions, and other soldier training facilities.

Strategic Readiness (\$74 Million/2 Percent).—Fiscal year 2012 represents the first year the Army will invest in industrial base and deployment facilities under the Strategic Readiness Initiative. Prior to fiscal year 2012, these types of facilities fell under general recapitalization and modernization of aging facilities. Five transpor-

tation infrastructure projects will be constructed to support railhead, deployment, and supply operations, as well as a Maneuver Systems Sustainment Center project at Red River Army Depot.

Other Support Programs (\$275 Million/8 Percent).—The fiscal year 2012 budget includes \$230 million for planning and design. As executive agent, the Army also provides oversight of design and construction for projects funded by host nations. The fiscal year 2012 budget requests \$25 million for oversight of host nation funded construction for all services in Japan, Korea, and Europe. The budget request also contains \$20 million for unspecified minor construction to address unforeseen critical needs.

Military Construction Efficiencies

The Army decremented the Active Army program by \$200 million in fiscal year 2012. Although described as an efficiency, the decrement action initiates the Army's relook of its facilities investment strategy—a strategy that will decrease new construction and increase use and maintenance of the current inventory of real property in a manner that best supports the Army's mission.

Over the next months the Army will assess an increased use of the Army's restoration and modernization funding program to complement MILCON in a manner that optimizes scarce investment dollars. If after reassessment, the decremented projects are found to be mission critical MILCON requirements, they will be inserted back into the program at the next opportunity.

Military Construction, Army National Guard

The Army National Guard fiscal year 2012 MILCON request of \$774 million (for appropriation and authorization of appropriations) is focused on GTA, modernization, transformation, training support, and other support programs.

Grow the Army (\$101 Million/14 Percent).—The fiscal year 2012 budget request includes \$101 million for 11 energy-efficient readiness centers that will support the Army National Guard's end strength growth and ability to react to high levels of force deployment.

Modernization (\$198 Million/25 Percent).—The Army National Guard budget request also includes \$198 million to replace 11 obsolete and energy-inefficient readiness centers. There are five readiness centers and one Armed Forces Reserve center, one maintenance facility, one Army aviation support facility, one U.S. Property and Fiscal Office, and one utilities replacement project that will provide modernized facilities to enhance the Guard's operational readiness.

Transformation (\$198 Million/25 Percent).—The budget request offers the Army National Guard the opportunity to reach higher levels of readiness by equipping Army National Guard units on a comparable level with the Active component. The request is comprised of 10 projects which include three tactical unmanned aircraft system facilities, five readiness centers, one Army aviation support facility, and one field maintenance shop.

Training Support (\$245 Million/32 Percent).—In fiscal year 2012, the Army National Guard is requesting \$245 million for 16 projects which will support the training of its operational force. These funds will provide the facilities soldiers require as they train, mobilize, and deploy. Included are five operations readiness and training complexes, seven range projects, one maneuver area training and equipment site, one railhead expansion and container facility, and two deployment processing facilities.

Other Support Programs (\$32 Million/4 Percent).—The fiscal year 2012 Army National Guard budget also contains \$20 million for planning and design of future projects and \$12 million for unspecified minor MILCON to address unforeseen critical needs.

Military Construction, Army Reserve

The Army Reserve fiscal year 2012 MILCON request for \$281 million (for appropriation and authorization of appropriations) is for modernization, training support, strategic readiness, and other support programs.

Modernization (\$216 Million/77 Percent).—In fiscal year 2012, the Army Reserve will invest \$216 million in facilities that prepare our soldiers for success in current operations. The construction of 10 new Army Reserve centers and one Armed Forces Reserve center will provide the modernized training classrooms, simulations capabilities, and maintenance platforms that support the Army Force Generation cycle and the ability of the Army Reserve to provide trained and ready soldiers for Army missions when called.

Training Support (\$28 Million/10 Percent).—The budget request of \$28 million provides for three ranges that enable soldiers to hone their combat skills. It also provides for construction of the final phase of a noncommissioned officer academy

classroom/training billets complex that, when completed, will allow for a modernized training environment for training.

Strategic Readiness (\$5 Million/2 Percent).—The request includes \$5 million for a containerized loading facility supporting mobilization and demobilization missions of the Reserve component.

Other Support Programs (\$32 Million/11 Percent).—The fiscal year 2012 Army Reserve budget request includes \$29 million for planning and design of future year projects and \$3 million for unspecified minor MILCON to address unforeseen critical needs.

Army Family Housing

The Army's fiscal year 2012 budget includes \$681.8 million for the Army's investment in and operation of its worldwide inventory of family housing assets. The Army relies first on the local economy to provide housing for our soldiers. When housing on the economy is not available, the Army provides housing by various means including Government-owned, privatized, and leased housing. The Army has successfully privatized 98 percent of its housing assets inside the United States, while overseas we primarily house families in Government-owned and leased quarters.

Residential Communities Initiative.—In 1999, the Army began privatizing housing assets and the Residential Communities Initiative (RCI) continues to provide quality housing which soldiers and their families and senior single soldiers can proudly call home. The Army leverages appropriated funds and existing housing by engaging in 50-year partnerships with nationally recognized private real estate development, property management, and home builder firms to construct, renovate, repair, maintain, and operate housing communities.

The RCI family housing is in 44 locations, with a projected end state of more than 85,000 homes—98 percent of the on-post family housing inventory inside the United States. Initial construction and renovation investment at these 44 installations is estimated at \$12.7 billion over a 3- to 14-year initial development period, which includes the Army's contribution of close to \$2 billion. During the 12 years since 1999 through 2010, our partners have constructed more than 25,000 new homes, and renovated another 19,000 homes.

The RCI program for senior unaccompanied housing includes four installations for a total of 1,394 accommodations for senior single soldiers in grade staff sergeant and above including officers at locations where there is a deficit of adequate accommodations off post. The four locations are Forts Irwin, Drum, Bragg, and Stewart.

Army Family Housing Construction (\$186.9 Million/27 Percent).—The Army's fiscal year 2012 family housing construction request is \$186.9 million (for authorization of appropriation, and appropriation) to continue our significant investment in our soldiers and their families. This supports our goal to sustain Government-owned housing and eliminate our remaining inadequate inventory at enduring overseas installations.

The family housing construction program includes \$76 million for traditional MILCON to provide 128 new homes in Germany, and to acquire 10 acres of land in Brussels for future construction so that the Army can eliminate seven high-cost leased homes that cost the Army more than \$1 million annually. The request also includes \$103 million for improvements to 276 family homes in Germany, and \$7.9 million for planning and design.

Army Family Housing Operations (\$494.8 Million/73 Percent).—The Army's fiscal year 2012 family housing operations request is \$494.8 million (for appropriation and authorization of appropriations). This account provides for operations, utilities, maintenance and repair, leased family housing, and management of RCI. This request supports almost 16,000 Army-owned homes, in the United States and in foreign countries, as well as almost 8,000 leased residences and provides Government oversight of more than 80,000 privatized homes.

Operations (\$85.4 Million).—The operations account includes four subaccounts—management, services, furnishings, and a small miscellaneous account. All operations subaccounts are considered "must pay accounts" based on actual bills that must be paid to manage and operate the AFH-owned inventory.

Utilities (\$73.6 Million).—The utilities account includes the cost of delivering heat, air conditioning, electricity, water, and wastewater support for family housing units. The overall size of the utilities account is decreasing in proportion with the reduction in supported inventory due to RCI.

Maintenance and Repair (\$105.7 Million).—The maintenance and repair account supports annual recurring projects to maintain and revitalize AFH real property assets. Since most family housing operational expenses are fixed, maintenance and repair is the account most affected by budget changes. Funding reductions result in

slippage of maintenance projects that adversely impact soldier and family quality of life.

Leasing (\$204.4 Million).—The leasing program is another way the Army provides adequate housing for families. The fiscal year 2012 budget includes funding for a total of 9,036 housing units, including 1,080 existing section 2835 (“build-to-lease”—formerly known as 801 leases), 1,828 temporary domestic leases in the United States, and 6,128 leased units overseas.

Privatization (\$25.7 Million).—The privatization account provides operating funds for management and oversight of privatized military family housing in the RCI program. RCI costs include civilian pay, travel, and contracts for environmental and real estate functions, training, real estate and financial consultant services, and oversight to monitor compliance and performance of the overall privatized housing portfolio and individual projects.

BASE REALIGNMENT AND CLOSURE

Base Realignment and Closure 2005

BRAC 2005 is a massive undertaking, requiring the synchronization of base closures, realignments, MILCON, and renovation, unit activations and deactivations, and the flow of forces to and from current global commitments. BRAC 2005 encompassed:

- 102 Army recommendations;
- affected more than 150,000 soldiers and civilians, and their family members;
- 330 construction projects, which includes 125 Armed Forces Reserve centers;
- closure of 12 Active component installations, one Army Reserve installation, 387 National Guard readiness and Army Reserve centers, and eight leased facilities; and
- more than 1,100 discrete actions.

BRAC 2005 established training centers of excellence, joint bases, a human resources center of excellence, and joint technical and research facilities.

While the Department is facing scheduling challenges in a few cases, we are working diligently to ensure we satisfy our BRAC legal obligations. Army senior leaders continue to intensely manage these recommendations and are putting in place mitigation procedures to ensure we meet our legal obligations. Currently, the Army has completed 23 of 102 recommendations and awarded 327 MILCON projects, of which 154 have been completed. The Army has initiated 850 of 1,147 actions and completed 393. The Army has closed six Army installations, one Army Reserve installation, 42 Army Reserve centers, and disposed of 19,067 acres associated with the closures. The Army is on schedule to complete the remaining 754 actions and 173 projects in accordance with the BRAC law.

The Army fiscal year 2012 budget request for BRAC 2005 is \$229 million. The budget request is critical to the success of the Army’s BRAC 2005 initiative and does not contain funding for new construction projects. The funding request includes \$116.9 million in operation and maintenance to support facility caretaker requirements. In fiscal year 2012, the Army will continue environmental closure, cleanup, and disposal of BRAC properties. These activities will continue efforts previously ongoing under the Army Installation Restoration Program and will ultimately support future property transfer actions. The budget request for BRAC environmental programs is \$112.3 million, which includes munitions and explosives of concern and hazardous and toxic waste restoration activities. These actions do not occur at the expense of protecting human health and the environment from past activities that may have resulted in contamination. BRAC funds ensure human health and environmental protectiveness first, while also enabling the timely transfer of acreage for productive community re-use.

Base Realignment and Closure 95

The Army is requesting \$70.7 million in fiscal year 2012 for prior BRAC rounds. The request includes \$4.6 million for caretaking operations and program management of remaining properties and \$66.1 million for environmental restoration to address environmental restoration efforts at 280 sites at 36 prior BRAC installations. To date, the Army has spent \$3.1 billion on the BRAC environmental program for installations impacted by the previous four BRAC rounds. The Army has disposed of 177,842 acres (85 percent of the total acreage disposal requirement of 209,291 acres), with 31,448 acres remaining. As a result, the Army estimates approximately \$14.5 billion in savings through 2010—and nearly \$1 billion in recurring, annual savings from prior BRAC rounds.

ENERGY INVESTMENTS

Army installations and facilities require secure and uninterrupted access to energy. Dependence on fossil fuels and a vulnerable electric power grid jeopardizes the security of Army installations and mission capabilities. Investment in renewable energy and energy-efficient technologies will help ensure the Army can meet mission requirements today and into the future. An average of 2 percent of every facilities construction project is invested in increased energy efficiencies.

The Energy Conservation Investment Program (ECIP) fiscal year 2012 program includes 10 renewable energy projects and three energy conservation projects for \$51.5 million. The estimated average annual savings is projected at \$4 million or 258 billion BTUs. Although ECIP is an annual Defense-wide appropriation (\$135 million), the Army is taking a strategic look at requirements and developing an ECIP Future Years Defense Program that will provide the Army the ability to pull requirements forward should such an opportunity arise.

ENERGY

The Army is moving forward to address the challenge of sustainability and energy security to ensure the Army of tomorrow has the same access to energy, water, land, and natural resources as the Army of today. The Army realizes that innovative, cost-effective solutions are critical to success. Addressing these challenges is operationally necessary, fiscally prudent, and mission-essential. The Army has implemented an energy efficiency requirement into all new facilities construction, renovation, and modernization requirements.

Drive Efficiency Across the Enterprise.—The Army is investing to significantly reduce requirements for natural resources, to include energy and water, both on installations at home and in our combat operations. Reducing demand through efficiency improvements is often the cheapest and fastest way to save funds and reduce dependency. The easiest gallon of fuel to secure and transport is the one that is not required. The need to reduce energy vulnerabilities and associated costs is clear, given experiences in Iraq and Afghanistan. The approach will require a concerted effort involving a combination of new technologies, changes to user behavior, and conversion of “waste” in resource streams to energy with approaches that convert waste heat or garbage into electricity.

Build Resilience Through Renewable/Alternative Energy.—Army forces must still prevail, even in the face of disruptions due to enemy action, weather, shifting priorities, or energy availability. Given this, it is prudent that the Army take steps to diversify its sources of energy, particularly to include renewable and alternative sources available both here and abroad. The Army is building resilience and flexibility into force capabilities to continue operating in the face of energy disruption. These disruptions can occur at the national, regional, or local level and affect bases, weapons systems, vehicles, and soldiers.

ENVIRONMENT

The Army fiscal year 2012 budget provides \$1.4 billion for its Environmental Program in support of current and future readiness. This budget ensures an adequate environmental resource base to support mission requirements, while maintaining a sound environmental posture. Additionally, it allows Army to execute environmental aspects of re-stationing, GDPR, and BRAC while increasing programmatic efficiencies, and addressing the Army’s past environmental legacy.

As a land-based force, our stewardship sustains the quality of our land and environment as an integral component of our capacity to effectively train for combat. We are committed to meeting our legal requirements and protecting natural and cultural resources during a time of unprecedented change. We are on target to meet DOD goals for cleaning up sites on our installations, and we continue to manage environmental requirements despite operating in a constrained resource environment.

SUSTAINMENT/RESTORATION AND MODERNIZATION

The Army continues to comply with the joint planning guidance 1 and has funded sustainment at 90 percent of the Office of the Secretary of Defense facilities sustainment model requirement. The Army views 90 percent sustainment funding as the absolute bedrock of proper facilities stewardship, and is an essential objective of the Army facilities investment strategy. The Army has chosen not to take risk in the sustainment of our facility inventory valued at \$326 billion. Sustainment is an outward and visible sign of the Army’s commitment to providing a quality of life

to our soldiers, civilians, and families that is consistent with their commitment to our Nation's security.

BASE OPERATIONS SUPPORT

The Army fiscal year 2012 BOS request, the budget provides \$1.7 billion in support of the Army Family Covenant, which is the Army leadership's commitment to provide a quality of life to the soldiers and families that, is commensurate with their service. Other funded senior leadership initiatives are:

- Army Substance Abuse Program;
- Sexual harassment/assault response and prevention;
- Health promotion;
- Risk reduction and suicide prevention; and
- Comprehensive soldier fitness.

The Army is committed to developing a cost culture for increasing the capabilities of BOS programs through an enterprise approach. Additionally, the Army will continue to review service delivery of its soldier, family, and civilian programs to ensure the most efficient and effective means of delivery are realized.

CONCLUSION

The Army's fiscal year 2012 installations management budget request is a balanced program that supports our soldiers, families, and civilians; continued rebalancing of the force; completion of BRAC 2005 by September 2011; continued support to Army transformation, GTA and GDPR initiatives, and investments in barracks buyout programs. The Army's facilities investment strategy will be accomplished through your continued commitment to timely and sustained funding of MILCON, BRAC, and family housing.

In closing, we would like to thank you again for the opportunity to appear before you today and for your continued support for our soldiers, families, and civilians.

Senator JOHNSON. Thank you, Secretary Hammack.
General Boozer.

STATEMENT OF GENERAL JAMES C. BOOZER

General BOOZER. Mr. Chairman, Senator Kirk, I would also like to thank you all as well for your support.

Thanks in large measure to the support received from this subcommittee, we've made great progress toward sustaining Army soldiers, families, and civilians, and we are regaining that balance that I know you have heard General Casey speak of so very, very often.

This year, as you know, the Army is striving to complete all 1,147 actions associated with the Army's 102 BRAC recommendations that are necessary to fulfill our obligation for BRAC 2005. Construction continues on 330 projects; 165 of those 330 have been completed to date, as well as all the preparation in completing all the personnel moves, the civilian personnel moves mainly associated with those BRAC recommendations.

BASE REALIGNMENT AND CLOSURE

We have spent some time identifying risk associated with those— with our BRAC recommendations and have identified risk by project, by specific project type and we have put mitigation strategies in place to reduce that risk so that we can keep BRAC implementation on track. And our senior leaders are actively engaged in over watch as we near the BRAC deadline of September 15, 2011.

Restoring balance to our Army, though, is not an end state, but rather a continuous process. And that is why we have programmed \$1.7 billion for transformation projects and \$1 billion for modernization in the President's budget request.

Transformation projects ensure that we have the right modern facilities for the capability the Army is bringing to the fight, like conditional combat aviation brigades and the unmanned aerial vehicles that Senator Kirk mentioned.

We will continue to modernize our aging and obsolete facilities, and will continue to make investments in areas like Germany and Korea.

EUROPEAN BASING/STATIONING

Now, although a decision on the brigade combat teams in Europe was recently announced, it is critical that the projects in the President's budget request for fiscal year 2012 for Germany be appropriated. It is critical because those projects are not tied in any way to a brigade combat team stationing decision in Europe. Those were all tied to the consolidation plan in U.S. Army Europe that is going to yield savings as we close installations and concerns in Germany. So delaying the fiscal year 2012 Germany projects or any other further delay of the fiscal year 2011 budget will cause us some additional cost and delay some efficiencies that we could garner overseas.

And then finally, the investment in the Guard and Reserve facilities has increased significantly. As you know, they are an integral part to our current operations. This year, more than \$1 billion or 20 percent of the Army MILCON program is being invested in the Army Guard readiness centers and the Army Reserve centers.

So in closing, Mr. Chairman, I would also like to thank this subcommittee once again for your support to our Army and our soldiers, and look forward to your questions and the discussion and dialogue this afternoon.

Senator JOHNSON. Thank you, General Boozer.

Let's turn to General Carpenter.

STATEMENT OF GENERAL RAYMOND W. CARPENTER

General CARPENTER. Mr. Chairman, it is also great on my part to see a fellow South Dakotan. And for the third year in a row, it is my privilege to appear before this subcommittee as the Acting Director of the Army National Guard.

I am here today representing 360,000-plus soldiers in the Guard who are on point at home and abroad for our Nation. Our Army National Guard is approaching a decade of war with an all-volunteer force. We have mobilized soldiers for Operation Iraqi Freedom, Operation Enduring Freedom, Operation New Dawn, for the Balkans, the Sinai, and elsewhere in the world. More than 478,000 soldiers have been mobilized since 9/11, and as we speak, we have nearly 35,000 soldiers mobilized and deployed, away from their homes, away from their families, their employers, and communities.

Sadly, but very importantly, I would be remiss if I did not acknowledge the toll that this has taken. We have 10,000 soldiers with nonbattle injuries, 5,000 wounded, and 643 who have sacrificed their lives.

ARMY NATIONAL GUARD BUDGET

I want to assure you the Army National Guard would not be the operational force it is today without the support of the Congress and this subcommittee. I am here today to discuss the Army National Guard MILCON budget request for fiscal year 2012. That request is for \$773,000 and would fund 48 MILCON projects in 30 States and territories. These projects include readiness centers, ranges, tactical unmanned aerial system facilities, maintenance shops, training institute facilities, and one U.S. Property Fiscal Office building in Washington.

Facilities and infrastructure are key contributors to readiness for the homeland mission and overseas operations. And that infrastructure is aging. More than 40 percent of our readiness centers are more than 50 years old and require substantial modernization or total replacement to meet the needs of an operational force. In many cases those facilities not only do not meet the needs of the transformed units, but they also fall short of the Department of Defense (DOD), Federal, and State building standards in the areas of anti-terrorism, force protection, energy efficiencies, and the Americans with Disabilities Act requirements.

EFFECTS OF THE CONTINUING RESOLUTION

I would also like to point out, as previous panel members have, that because of the continuing resolution, we have been unable to begin to award the fiscal year 2011 construction contracts of \$873,000 worth of projects recommended by this subcommittee last year. We desperately need the funding to replace numerous substandard facilities across the Army National Guard. Incidentally, one of those projects, Mr. Chairman, is in our home State, Watertown, South Dakota.

It is vital that the fiscal year 2011 MILCON request is fully funded.

Again, Mr. Chairman, I would like to acknowledge the critical role this subcommittee has played in building and sustaining the best Army National Guard I have seen in my career of more than four decades.

I look forward to your questions and comments.

Senator JOHNSON. Thank you, General Carpenter.

Mr. Snyder.

STATEMENT OF JAMES L. SNYDER

Mr. SNYDER. Mr. Chairman, Senator Kirk, and distinguished members, it is my pleasure to be here on behalf of Lieutenant General Jack Stultz, the Chief of the Army Reserve, to discuss the MILCON program today.

ARMY RESERVE

Our requests are crucial to the Army Reserve as we continue the most comprehensive transformation we have conducted since World War II. And we are using the energy of the transformation from a strategic force to an operational force to provide the Nation a very good return on their investment.

OPERATIONAL FORCE

Of the 205,000 Army Reserve soldiers, about 190,000 have deployed since the operations have started. Today, we have 27,000 mobilized in support of operations, and that is down from recent years where we've had about 30,000 to 32,000. We do believe we are making a good contribution to the operational force.

MILITARY CONSTRUCTION PRIORITIES

MILCON priorities are: Army Reserve centers, training support facilities, and maintenance facilities, as you can imagine. But these are no longer just meeting places of the old strategic Reserve that you may remember, these are places to conduct training and family support group meetings and do collaborative planning over network simulations and so forth that really prepare soldiers for today's operations. And they require progressive readiness training through the Army force generation cycle, in order to be prepared to be mobilized for their available year. We have utilized BRAC and the Grow the Army (GTA) program over the last few years to transform our command and control posture to better support an operational Army Reserve. And those programs are being completed in fiscal year 2011, both BRAC and GTA.

As discussed, we have 26 projects in our fiscal year 2011 program that are on hold—10 are at the award stage, and 17 of those support structure that is activating in fiscal year 2012, so it's critical to get on with those programs, and we look forward to the authority.

FISCAL YEAR 2012 BUDGET

The fiscal year 2012 budget request of \$281 million supports modernization, training support, strategic readiness, and unspecified programs—\$216 million in modernization, that is 11 facilities, operations center.

Training support, about \$27 million, supports, primarily, our regional training centers at Fort Hunter Liggett, California; Fort McCoy, Wisconsin; and Fort Dix, New Jersey; and we have a deployment facility at Fort McCoy as well. We have \$29 million in planning and design and \$3 million in unspecified minor as part of that package as well.

And we are particularly proud to contribute on the energy front to the efforts that have been going on since 2008. And while we've designed for Leadership in Energy and Environmental Design (LEED) Silver standards, we have been able to achieve a number of LEED Gold and LEED Platinum standards as we complete the projects. And, in some cases, using renewable energy sources, we are able to reduce the consumption by 50 percent at particular facilities.

The fiscal year 2012 program will directly support 4,400 soldiers and families with these new facilities, and that is fitting with their service and sacrifice. Our citizen soldiers and families will continue to be the centerpiece of the Army Reserve, and their ability to perform their mission successfully depends upon your continued support.

Again, on behalf of Lieutenant General Stultz and the soldiers and families of the Army Reserve, I thank you for your support.

Senator JOHNSON. Thank you. Thank you, Mr. Snyder.

Thank you for your opening statements. We will begin with a 6-minute round of questions. Senators will be recognized in order of their arrival.

FORCE REDUCTION

Secretary Hammack and General Boozer, as part of his efficiencies review, Secretary Gates indicated that the Army would likely see a reduction in forces by as much as 27,000 in fiscal year 2016. It is my understanding that the drawdown on forces will be contingent on troop withdrawals in Afghanistan and as part of an Army force structure review.

What is the Army's time line for its force structure review? And what impact will this anticipated drawdown have on the Army MILCON program?

General BOOZER. Mr. Chairman, if it is okay—

Senator JOHNSON. Yes.

General BOOZER [continuing]. I would like to take a stab at that and I really appreciate that question.

As you know, I alluded to some of that reduction—not some of the reduction, but alluded to the brigade combat team stationing decision. But if I could just quickly—and I am a history major, so I am going to try to walk through the numbers, probably more for my benefit than yours, and talk through the reductions of where we are.

END STRENGTH

As you know, we are currently operating under a temporary end strength increase of 22,000. And so that took us from our permanent end state of 547 and brought us up to 569.

The Army's time line is to come off of that temporary end strength of 22,000 back down to the 547 by the end of 2013.

Then the 27,000 reductions that the Secretary has talked about and announced, we have to work through our process. In the Army, we call it the total Army analysis process, where we take strategic guidance, and we go through a series of qualitative and quantitative analyses to right-size the force. And we will start that process this summer, even though the 27,000 reductions aren't supposed to start until 2015. We are going to start that process this summer so we can lay out some options for the Army's senior leadership, because we have a lot of issues that we have to wrestle with when we take into consideration how we would proceed with reducing the force by 27,000.

Ms. HAMMACK. And then I would like to address your question as far as MILCON goes. As we enact that plan, and taking the force down starting in fiscal year 2015, we will be looking at our construction.

One of the things to keep in mind is, because we grew so fast in response to the current battles that we are in, the current wars that we are involved in, we have soldiers that are working out of temporary facilities, whether they are relocatable facilities or other facilities that are past their effective use State and sub-par facili-

ties. So as we look at reducing end strength, we will be looking at consolidating into those facilities that have the highest and best use and looking at reducing the amount of facilities that are older or aging or that are temporary facilities.

And we will be looking at our MILCON budgets in the out years to ensure that we are not building structures that don't have appropriate use.

READINESS CENTERS

Senator JOHNSON. General Carpenter, you mentioned the age of the readiness center inventory. Does the Guard have a modernization plan for its readiness centers and a goal for completion?

General CARPENTER. Senator, I believe you are aware of the readiness centers study that was discussed in the last session of the Congress. We have begun the process in terms of figuring out what the requirements are for that study. Unfortunately, the study was unfunded. We have taken \$2 million from our fiscal year 2010 budget that was not to be expended for other uses and we have dedicated that toward the start of that study.

Our effort is to look across all the readiness centers that we have got across all the States in the United States and rank order the ones that require replacement at the top and start working down through that list in order to modernize the readiness centers inside of the Army National Guard.

So, yes, sir, we do have a plan, and we are moving out on it. However, it is not fully funded at this point.

GROW THE ARMY

Senator JOHNSON. Secretary Hammack and General Boozer, how is it that there is a discussion in reducing force growth when we haven't funded MILCON for the current growth of force initiative? And how much MILCON does the Army have left to complete the growth of force initiative?

Ms. HAMMACK. I don't have the exact numbers with me right now to complete the initiatives, but the GTA and the Global Defense Posture Realignment programs were both scheduled for completion mainly in fiscal year 2012, with a little bit left in fiscal year 2013.

EUROPEAN STATIONING

Senator JOHNSON. General Boozer, on Friday DOD announced its intent to revise the force posture in Europe. As part of that announcement the Department intends to retain only three brigade combat teams in Europe, down from four. Now, no specifics of the re-stationing were offered in the press release even though this decision has been anticipated for months.

Will the brigade combat team be re-stationed in the United States or will it be deactivated? How will this decision impact current installations at Bamberg and Schweinfurt in Germany?

General BOOZER. Yes, Chairman, thank you for that question.

If I were to remain in my current posting here I would be knee deep in the analysis that we owe you. The good news is, in my future job, my posting in Europe as the Deputy Commanding General

for U.S. Army Europe, I am still going to be knee deep in that analysis that is going to take place. We are certainly—in that new posting I will certainly help the Army with.

And your question is a very, very good one. We have installations in Europe that are tagged as enduring installations and some that are tagged as nonenduring installations, I am kind of answering the question backwards in reference to the installations.

Some of those installations, specifically the ones Senator Kirk mentioned in his opening statements, Bamberg and Schweinfurt, are categorized as nonenduring installations. We are currently using those installations, in layman's term, as probably swing space.

As we consolidate installations and concerns in Europe, we are using Bamberg and Schweinfurt for those units or organizations. In fact, one of the brigades that is stationed in Grafenwoehr, the 172nd, some of its units are still in Schweinfurt, have not completed their closure into their permanent home which is Grafenwoehr.

Once we understand and get senior leader guidance from the Army on the end state for that one brigade combat team, because that is a reversal from the 2004 decision to bring two back, as we take into consideration the force reductions that we have talked about, the temporary end strength of 22,000 that we have got to come down off of between 2013, and then this 27,000-reduction, those decisions will all play in that.

So we do not have an answer. That is a long way to get at an answer. We do not have an answer to what is going to happen to that brigade combat team that has been identified.

Senator JOHNSON. What timeframe do you anticipate?

General BOOZER. Mr. Chairman, I believe we have, in concert with the total Army analysis process, we have to bring those options and decisions to our senior leadership before the end of this year, because we are going to work that 2015 stance, if you will, during the upcoming total Army analysis process, so it has got to be part of that, that holistic process.

Senator JOHNSON. Thank you, General.

Senator Kirk.

MILITARY CONSTRUCTION BUDGET FOR FISCAL YEAR 2012

Senator KIRK. Thank you, Mr. Chairman.

Just note that for our legislation, the Department of Veterans Affairs (VA), last year, took up about \$53 billion, and MILCON was \$23 billion. And this year for the bill; it looks like the VA will take up \$56 billion and MILCON \$16.6 billion. So MILCON was 30 percent of this bill last year; it is just 22 percent this year. At that rate, MILCON disappears from this bill in 3 years.

Any thought about recommendation to us about reorganizing our committees and moving MILCON into DOD, because you are rapidly disappearing here?

Ms. HAMMACK. Thank you for that question. We are reaching a steady state level. And our steady state level of investment and re-investment and our facilities is around that \$5 billion mark. After we have finished the re-stationing and corrected for capacity, new

construction is going to be correcting for condition where we have aging or decaying facilities that require replacement.

So we will always have a continuing need for MILCON, just as any other enterprise would, to manage and maintain our facilities. We are looking at increased investment in sustainment, restoration, and modernization, but there will always be a need for MILCON.

Senator KIRK. All right. I would just note that—when we talk about new buildings for DOD and the Army, what is more important to you: increased combat capability or energy efficiency?

ENERGY EFFICIENCIES

Ms. HAMMACK. Mission comes first, sir.

Senator KIRK. Yes. I would like to hear that more, because it seems like we are really pushing energy efficiency, when it is great to have an energy-efficient facility, but if it is not yielding additional combat capability, that is—

Ms. HAMMACK. I would disagree with you on that point, because it is mission-critical that our facilities be energy-efficient. And if you take a look at Japan, our facilities were able to operate and continue to operate in light of a frail and dysfunctional power grid. And so we need our facilities to better manage the energy that is required to maintain mission—

Senator KIRK. Right.

Ms. HAMMACK [continuing]. And be able to operate should the power grid go down.

And just in the last decade, we have seen issues, whether they be accident, weather-related, or acts of terror, that could impact our mission. So our mission is to remain viable and operational should there be hazards in the local community.

Senator KIRK. Right.

Ms. HAMMACK. So we view energy as mission-critical.

Senator KIRK. Yes, although I would just say they are two vehicles, but would you rather go to war in a Nissan Leaf or in a Humvee, you know? And I would just say that in the end, combat capability is, I think, our primary value here that we are looking for in the facilities.

KOREA TOUR NORMALIZATION

Can we talk about Korea and Army MILCON? Because it is a big swing number. Should we go with full-tour norm? What is your timeline on assessment for this huge bill?

General BOOZER. Yes, Senator Kirk, as you know, the Secretary first approved our command sponsorship of our families at that level at 3,740. And, to date, that is really the only decision that has been made that is associated with career tour normalization, is the command sponsorship levels, if you will.

We are working toward what we call the consolidation and the relocation—

Senator KIRK. Right.

General BOOZER [continuing]. Of forces north to south, from the Seoul area into the Daegu, Yongsan area into what we know as Camp Humphreys. And that—

Senator KIRK. Do you have any idea—I would think that housing would be vastly more expensive in Seoul than Camp Humphreys, but your numbers show it is actually vastly more expensive in Camp Humphreys than in Seoul.

General BOOZER. Yes, sir. And you mentioned the way that we are going to tackle that problem for housing with our families is using the Humphreys Housing Opportunity Program, which is not using MILCON dollars, but is using an overseas housing allowance rate. And it is, as you mentioned, \$4,200, that rate. That rate allows the public-private venture, if you will, to occur.

And, quite frankly, in the short term, it is cheaper and more efficient than MILCON.

EUROPEAN STATIONING

Senator KIRK. Yes. Last question. As we bring that brigade combat team home from Germany, I didn't really get a sense of when you would be bedding that, making a decision on beddown of that unit. When—

General BOOZER. Yes, Senator Kirk, that will occur in 2015. All those brigade combat—

Senator KIRK. The decision will occur in 2015?

General BOOZER. No, I'm sorry, I misunderstood. I thought you were talking about the actual movement or whether we activate—inactivate it or moved it would be 2015. The decision, I believe, has to occur sometime late this fiscal year.

Senator KIRK. Thank you.

Thank you, Mr. Chairman.

Senator JOHNSON. Senator Pryor.

Senator PRYOR. Thank you, Mr. Chairman. I want to thank the panel for being here today.

ARSENALS

Ms. Hammack, let me start with you, if I may. I want to ask about arsenals. I know that there are several laws out there that the Congress has passed over the years, and some regulations, that basically encourage us to utilize our arsenals more fully. You are aware of those laws and regulations, the Arsenal Act, Defense Industrial Reserve Act, Army Regulation 700-90 and others. You know those better than I do.

But how are we doing in terms of keeping our arsenals fully, workloaded and fully busy?

Ms. HAMMACK. I would say they are very busy right now, but thank you for the question.

Our arsenals are very busy because we are engaged in two conflicts right now. As we bring our soldiers home and disengage, the load on the arsenals will reduce. Several of our arsenals are right now at three shifts, so they are operating on a 24/7 aspect. Our peacetime load is much closer to one shift, 5 days a week. So we will get closer to that.

Our arsenals are a critical resource to the military, to the Army, so we need to ensure that their capabilities remain and that investment in them remain.

We are looking at options to offer services that could be coupled more closely with the public sector. We are looking at some realign-

ments right now that might change their structure, not necessarily their location but their cost structure so that it would make them more competitive in the private sector.

Senator PRYOR. How would you do that, when you say to change their cost structure? What do you mean by that?

Ms. HAMMACK. Right now many of our arsenals are operating both the manufacturing portion and the garrison portion coupled very closely together. We have an installation management command that manages the garrison side of our installations and does that for more than 150 different installations.

INSTALLATION MANAGEMENT COMMAND'S MANAGEMENT OF ARSENALS

We are looking at decoupling the production aspect and having the installation management command manage the garrison side of the arsenal, and we believe that will focus what the costs are strictly for the production capabilities. Also, the first couple of ones we have looked at, and we are implementing this on a pilot basis, are showing cost savings because installation management command has contracting mechanisms that they can then leverage.

Senator PRYOR. And do you think that those cost savings are what you will find at most of these locations?

Ms. HAMMACK. We believe so. The final results are due in September.

Senator PRYOR. And what percentage of the arsenals in our system now are, I guess what you would call, fully work-loaded? I know it is an up tempo time, but do you know the answer?

Ms. HAMMACK. I would have to take it for the record, but I believe that most of them are fully utilized. The question right now is, as our up-tempo decreases, how they will be unloaded.

[The information follows:]

ARSENALS

For the two manufacturing arsenals, Rock Island Arsenal Joint Manufacturing and Technology Center (RIA) and Watervliet Arsenal (WVA), the percentages are approximately 81 percent for RIA and 52 percent for WVA. The chemical arsenal, Pine Bluff Arsenal, is presently workloaded at approximately 28 percent.

These percentages are against a full 40-hour work week, and do not take into account the added capacity with multiple shifts.

Ms. HAMMACK. One of the things to keep in mind is, many of our arsenals are engaged in resetting equipment as it comes out of the theater. So there will be a period of time where they will remain or they will lag the up tempo as they work to reset equipment.

Senator PRYOR. Right. And, of course, we have the Pine Bluff arsenal in Arkansas and they have just gone through the big chemical demilitarization process. And my understanding is, we have a lot of capability there now that is really not being utilized because of that change of mission. So we certainly would appreciate you all considering Pine Bluff as you look at arsenals and what our needs are in the future.

Let me ask—I guess this might be best for General Carpenter. And that is, on the Operational Reserve call-up concept. I met with Lieutenant General Stultz the other day, and we were talking about this and he was describing the desire for the Reserve components to amend title 10 to provide the Secretary of Defense the authority to involuntarily activate a limited number of selective Re-

serve personnel. And as I understand, that would allow for easier activation for validated, nonemergency DOD force generation requirements.

Is that something that the National Guard supports?

General CARPENTER. Senator, I think you know the history of this particular issue. I believe it was in 2007 there was part of the National Defense Authorization Act allowed for the mobilization and employment of the Army Reserve in emergency and disaster operations. And then at the request of the Governors, I believe that was reversed in 2008.

The feedback I get from the adjutant generals across the Nation, and as a result consistent with our Governors' wishes, is the Governor wants to remain responsible and in charge of what goes on in disaster and emergency operations inside of his or her State. And, right now, we, the National Guard, are working, in conjunction with the Council of Governors and U.S. Northern Command, on a process that has a critical, dual-status commander, a dual-hat commander, if you will, that represents both the title 10 forces and the title 32 forces.

And as we work through that process to establish that, the Governors, the ones that I know about, feel confident that when that is in place they would be inclined to support what General Stultz has in mind.

I believe—you know, I sit with General Stultz regularly as my counterpart in the Army National Guard and his position is, why would we call the 82nd Airborne when we have the engineer unit in Florida that is already there to take care of business? And they have done great work, Hurricane Katrina, for instance, as being an example.

Senator PRYOR. Thank you.

Thank you, Mr. Chairman.

Senator JOHNSON. Senator Hutchison.

EUROPEAN STATIONING

Senator HUTCHISON. Thank you. Thank you, Mr. Chairman.

I appreciate what you said, Secretary Hammack, about gauging the MILCON as you go based on these decisions that are going to be made. I have expressed, pretty publicly, that I am concerned that we have spent so much on MILCON in Germany, and then the announcement was made that we were going to reverse an earlier decision by the previous administration to leave two brigade combat teams in Germany instead of have three.

And I look at the Government Accountability Office (GAO) reports, the GAO said that when the decision was made to keep two and bring two home, that it would save millions. And they estimated that it would cost nearly \$2 billion more from fiscal years 2012–2021 to retain the two brigades in Europe than it would cost to return them to the United States.

The GAO also said that they were concerned about the lack of comprehensive cost data that the Army used when they were doing their theater posture plans. And they said that, of the \$17 billion obligated by the services to support installations in Europe from 2006–2009, approximately \$13 billion was for operations and maintenance (O&M).

So my question is, how do you factor in the added costs of new MILCON in Germany and the O&M costs on top of that when the GAO and others have said that you could save so much more by keeping with the original decision to bring the two brigade combat teams back and not doing that added MILCON and then keeping the O&M?

And I would ask either you or General Boozer.

Ms. HAMMACK. In Germany, in Europe, we have been working on consolidation, and we have been working to reduce our footprint. In the last 5 years, we have closed 91 sites and returned 23,000 acres to the German Government. Over the next 5 years, we plan to close 29 sites and return 7,000 acres to the German Government.

In doing so, some of the facilities that we are closing are aging facilities that cost a lot to operate and maintain and cost a lot to sustain. So, as we consolidate into the other facilities, by building new, it is reducing our costs for O&M in those facilities that we need to remain in.

Senator HUTCHISON. General, did you have something to add?

General BOOZER. Yes, ma'am, if I could, Senator?

Senator HUTCHISON. Yes.

General BOOZER. Thank you. Ma'am, I mean, you are correct, absolutely correct. It is more expensive to operate, build, maintain, and sustain a force in Europe versus back here in the United States. And Secretary Hammack pointed out some of the ways we have to try to mitigate that is through these consolidation and efficiency efforts that are still ongoing. U.S. Army Europe, now based on this most recent decision, will have to look, are there more efficiencies and more consolidations that can take place? Senator Kirk mentioned Bamberg and Schweinfurt, so clearly, U.S. Army Europe and the Army, the Department is going to have to look at that very, very closely to see if there is more efficiencies to be garnered.

There are some things that, even though more expensive, hard to put a price tag on of the benefits that are reaped by having a force over there. What the right size is, I think, is still under discussion, but the benefit of having a force there that can partner and build alliances and the training value that our soldiers get by operating in a multinational environment, are very hard to put a price tag on that.

Senator HUTCHISON. Well, General, let me just make a couple of points. Germany was supposed to be the lead for NATO early on for the security in Kabul. And they started backing out with restrictions on what they would do, rules of engagement that were limiting, and America has taken the giant lead, as we all know, in Afghanistan. Germany has said right away, right up front, they are doing nothing in Libya.

And so I think we do need to start looking at the overall importance of and effectiveness of these joint international training missions if in fact some of our allies participate and then sometimes they don't.

The other point that I would ask you about, and I would ask both of you, is that Germany is notorious for not making much of an effort for the building programs that we do in country. Germany's contribution has been about \$20 million per year of the overall \$1.4

billion that we have spent in Germany between 2006 and 2010. That is less than 10 percent.

And my question is, are you factoring those things in? And are you asking for more participation from Germany, such as, for instance, Japan does and even Korea is doing more now? Are we also making this case with Germany? And are we looking at a long term—whether, in fact, it is so much more expensive and maybe not as effective as we would like for it to be to have these operations there when our allies don't seem to be stepping up in the major theaters like Afghanistan, certainly nothing in Iraq from Germany.

How are you putting that all together? And are you asking for more of an effort? And are you looking at really carefully how much more we should be building in Germany, and then eventually turning back to the Germans, with very little effort on their part?

General BOOZER. Yes, Senator, thank you. Yes, that is a true statement. German host-nation contributions are absolutely lagging from other host nations like Japan and Korea.

I don't know how engaged we are in trying to turn that tide, but it is something that I would personally take on to see what else we can do. I think we need to ask, and I think we need to probably solicit the help of the State Department and our ambassadors there to help us in that endeavor.

So I absolutely concur.

Senator HUTCHISON. Well, thank you. I do appreciate that response. I do. And I appreciate that you will be looking, Madam Secretary, at whether we really do go forward with some of this MILCON when we look at the bigger picture of how many we are going to really have there and what is the effectiveness of it.

So I thank you for saying you will look at it and I hope that you will. Thank you.

Senator JOHNSON. Senator Nelson.

Senator NELSON. Thank you, Mr. Chairman. And thank you all for being here today.

NATIONAL GUARD READINESS CENTERS

I applaud the investment that is being made in the Army National Guard readiness centers. These centers provide the necessary support for the operational and ever-ready Guard and Reserve. We have had several new facilities in Nebraska, and I think that they are not limited to our State, but the Guard has, for a long time, been under-resourced in meeting those facility requirements.

I know, General Boozer, you mentioned about having a study that is going to be required. Can you talk a bit about how the Guard and Reserve facilities are prioritized when you have this report that you go through?

And I think, Madam Secretary, you made reference to it as well, how you are going to determine the facilities. Obviously, aging facilities are going to have one priority, but priorities may be for different reasons in different locations. Is there going to be a way to establish priorities, not simply on an aging basis?

I think we will start with you, Madam Secretary.

Ms. HAMMACK. Absolutely, and thank you for that question. Each command prioritizes where they need investment. So when it is all

brought together, we have a prioritized list from the Guard, we have a prioritized list from the Reserve, the regular Army, Army materiel command, et cetera, and we look at them all together based upon the critical nature of the requirements.

And as I said, we are launching into increased scrutiny of this to really look at condition of facilities. And some of the capacity things we might be looking at—less square foot for each function, but condition is where the focus of our MILCON will be.

And as I said, every project competes, and it competes based upon the requirements of that facility.

Senator NELSON. Well, in that regard, it could be that an aging facility is going to be less important to today and tomorrow and the needs beyond than, perhaps, a facility that is not as old, but needs to be modified to take into consideration the mission for that facility. So what I am getting at is, I know aging will be a factor, but you might move new facilities ahead of old facilities just on the basis of there is a higher need for them for mission.

Ms. HAMMACK. And mission is part of the process, and that is where the prioritization by the command comes from, looking at what their mission requirements are.

Senator NELSON. So it won't simply be by aging?

Ms. HAMMACK. No, but that is—and age isn't part of it, it is condition.

Senator NELSON. Well, condition.

Ms. HAMMACK. We have some very old facilities that are in excellent condition. But we have some newer facilities—there is a certain era where some of the facilities that were built were not of durability to last. So we have some newer facilities in worse condition than older facilities.

Senator NELSON. But condition alone will only be part of it because mission requirements would be equally or, in many cases, more important?

Ms. HAMMACK. Absolutely. Mission is the primary focus.

Senator NELSON. Okay.

General, anything you might like to add?

General BOOZER. Yes, Senator, thank you. The one thing I would add is that we do have this internal process in the Army where we look at the MILCON projects for all three components—Active, Guard, and Reserve—and we do look at quality, age, and we also look at quantity. So when we have deficits of certain facility types, whether it be Guard, Reserve, or MILCON, that plays in heavy as well in terms of are we meeting mission requirements.

Senator NELSON. Thank you, Mr. Chairman.

Senator JOHNSON. Senator Murkowski.

Senator MURKOWSKI. Thank you, Mr. Chairman. And welcome to the panel.

FORT WAINWRIGHT, ALASKA

Secretary Hammack, a question for you. I know that you are familiar with the housing project on Fort Wainwright known as the Birchwood Homes, these are 400 unit, the 801 housing.

Back in May 2007, the Army allowed that these units be leased out to the public, and that out-lease ends then in May 2018. The 801 project developer as well as the Fairbanks North Star Borough

have requested that the Secretary consider an approval to extend that ground lease beyond the year 2018 so that the housing can continue to be made available to the military as well as the Fairbanks community. This is in a community where housing is an issue, particularly the four- and five-bedroom units. This is a big deal for us.

Back in October, the Alaska delegation wrote the Secretary, asking that the Army favorably consider that proposal to extend the ground lease. But then back in December, we received a response that the proposal had been rejected. And the comment made by the Secretary was that Fort Wainwright may need this land in the future for installation support facilities.

So the question this afternoon is whether or not the Army does have some kind of a plan, a definitive plan for developing the land where the Birchwood Homes projects sits.

And basically, we are trying to find a creative solution. And I know this is not news to you, but just seeking a little bit of input this afternoon as to how we can advance this in a way that is good for Fort Wainwright, good for the community, and really get to that win-win situation.

Ms. HAMMACK. Thank you very much for the question.

I was up there in August taking a look at this area. One of the challenges of Alaska, as I'm sure you know, is permafrost. And this area that these houses are built on is an area that is permafrost-free, which means it reduces the complexities with construction there.

So when we look at the entire base configuration, including the land on which those houses are located, that is one of the largest areas that the Army had set aside for future use. And when this lease expires, we do have intended use, we have plans and programs for that use of that area. So the developer is very well aware that it was a land that the Army needs, that it was a lease that had a termination date on it. And because of the characteristics of the land, that is land that the Army does need to support our soldiers in that area.

Senator MURKOWSKI. So there is, what you would consider to be, a definitive plan that is either under way or is on the books for after 2018?

Ms. HAMMACK. Yes.

Senator MURKOWSKI. Let me ask you, because you bring up the subject of permafrost and the fact that in Alaska, particularly up in the interior there, you have got a pretty short construction season. And with the situation that we have been in back here in Washington, DC, it makes for a pretty short construction season when in fact we are just now in the process of completing the work on our fiscal year 2011 MILCON appropriations bill.

So the question that I would pose to you this afternoon, and I understand you may have alluded to it in your opening, but how much groundwork have you been able to lay in anticipation that we were actually going to get our work done here so that you can get these new projects moving along? Are you going to be accelerating some of the contracting process? How are you going to deal with just a very consolidated time period that we have got?

Ms. HAMMACK. I appreciate your question and we had a meeting on this last week to look specifically at Alaska. Because right now there is \$300 million worth of contracts, projects that have been bid, that have been thoroughly scoped, and that are ready to award. And essentially, the contracts are written ready to award, but we can't obligate funds until we have a budget.

May 1 is really our definitive date. We have to have the contracts enacted and in place by May 1 in order for us to execute what we need to do out of the fiscal year 2011 budget.

Senator MURKOWSKI. So, are you anticipating that some of these projects may drop off if we are not able to do what we need to do prior to May 1?

Ms. HAMMACK. They would not drop off, they would have to be postponed. We would award the contracts. Some of them are at a 65-percent design level. And part of the contract is the final last touches on the design, finishes, and some of the other final fit-outs. So we would have to use some of that time period for other activities and be ready to then start the construction as soon as—

Senator MURKOWSKI. Do you have any sense—

Ms. HAMMACK [continuing]. The season starts.

Senator MURKOWSKI [continuing]. As to how many or perhaps what percentage might be in that deferred status?

Ms. HAMMACK. It is entirely dependent upon when we get that new start authority. And as I said, if we get that new start authority by May 1, we will be able to enact the plans that we have right now.

APPROPRIATIONS BILL

Senator MURKOWSKI. Well, that certainly goes to highlight one of the issues that we were talking about around here about the impact that the delay here in the Congress to these appropriations bills and how that actually translates on the ground. I think it has meaningful consequence and unfortunately, possibly negative consequence if we're looking at a lot of the deferrals. So hopefully that will get to you in a more timely manner.

Ms. HAMMACK. Well, the concern is, as bids age, we reach bid expiry dates. And, so far, many of our contractors have been willing to give us bid extensions. But if they age too much, then it has to be re-competed because the bids have expired, and then you are at risk of increased cost. So really, we encourage everyone to give us the new start authority so we can put your constituents to work.

Senator MURKOWSKI. I am hoping we do that today.

Thank you, Mr. Chairman.

Senator JOHNSON. Senator Tester.

Senator TESTER. I'm going to save all my fireworks for the Air Force.

ADDITIONAL COMMITTEE QUESTIONS

Senator JOHNSON. Thank you all for coming today, and thank you for your service to our Nation. We will look forward to working with you and your staffs this year. Will our second panel please be seated?

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

QUESTIONS SUBMITTED TO HON. KATHERINE HAMMACK

QUESTIONS SUBMITTED BY SENATOR TIM JOHNSON

TRANSPORTATION IMPROVEMENTS/BASE REALIGNMENT AND CLOSURE MEDICAL FACILITIES

Question. The fiscal year 2011 Department of Defense (DOD) appropriations bill includes \$300 million for transportation improvements related to base realignment and closure (BRAC) medical facilities. Does the Army have a plan for this money that could be executed quickly?

Answer. The Army has identified road improvement projects related to BRAC medical facilities. The oversight of these funds however is with the Office of Economic Adjustment (OEA) from the Office the Secretary of the Defense (OSD). The Army is prepared to move forward with these projects once OEA has determined which projects will be funded.

Question. In addition to the traffic improvements needed at Bethesda and Fort Belvoir, are there any other medical facilities that would receive a portion of these funds?

Answer. The oversight of these funds is with the OEA from the OSD. The Army must work with OEA as they determine how the funds will be used.

Question. What specific road improvements needed at Fort Belvoir and Bethesda as a result of the new hospitals, and what is the projected cost to complete them?

Answer. The oversight of these funds is with the OEA from the OSD. The Army must work with OEA as they determine how the funds will be used.

Question. How much of the \$300 million will be used for traffic mitigation measures in the vicinity of Fort Belvoir and how much for Bethesda?

Answer. The oversight of these funds is with the OEA from the OSD. The Army must work with OEA as they determine how the funds will be used.

ARMY FORCE REDUCTION

Question. Secretary Hammack, Secretary Gates has announced a reduction of 27,000 in Active Army end strength by 2015. It is my understanding that the drawdown in forces will be contingent on troop withdrawals in Afghanistan and as part of an Army force structure review.

What impact will this anticipated drawdown have on the Army military construction (MILCON) program?

Answer. The Army continues to review and analyze future force structure and operational adjustments to meet the directed 27,000-reduction in the Army end strength beginning in 2015. This reduction is contingent on troop withdrawals in Afghanistan, which are expected to reduce significantly by the end of 2014. If the anticipated drawdown occurs, end strength reduction plan options will be developed and provided to Army leadership for decisions. Based on Army leadership decisions, the Army will adjust the MILCON program as necessary during the annual reconciliation of current construction requirement. No decisions have been made as to what type of units or what installations will be impacted.

Question. How is it that there is a discussion on reducing force strength when the Army has not completed the MILCON piece of the current Grow the Army (GTA) initiative?

Answer. The GTA initiative was a restructuring to the Army organization using the brigade as the centerpiece formation. The discussion on the 27,000-reduction in Army end strength is conditioned on projected reduction in demand for ground combat forces in Afghanistan, which is expected to be significantly reduced by the end of 2014. Assuming these conditions, an implementing plan will be developed and a set of options presented to Army senior leadership for decisions. However, at this point in time, no decisions have been made as to the type of units or installations that will be affected. As the Army's end strength is reduced, we expect that the impacts to the MILCON program will be minimal and that decrements and adjustments to the MILCON program will be addressed upon the conclusion of this year's Total Army Analysis.

Question. Are there additional GTA MILCON requirements beyond 2012?

Answer. There are three GTA MILCON projects currently programmed for fiscal year 2013. The projects appear in the fiscal year 2012 President's budget Future Years Defense Program.

[Dollars in thousands]

Location	Description	Estimated cost
Fort Carson	Addition/Alteration to Preventive Medicine Facility	\$5,700
Fort Stewart	Digital Multipurpose Training Range	17,000
Fort Drum	Soldier Specialty Care Clinic	22,000

These are the final Army GTA MILCON requirements.

ARMY EFFICIENCIES

Question. Secretary Hammack, the Secretary's efficiencies announcement included a \$1.4 billion reduction in Army MILCON over the next 5 years. This included the elimination of \$200 million in projects from the fiscal year 2012 request. However, you indicated in your written statement that the Army will be reviewing these decisions and will reserve the right to put projects back into future MILCON budgets.

When will the Army begin this review?

Answer. The Army reviews requirements on a continual basis. The Future Year Defense Program is developed and refined each year based on senior leader initiatives and priorities. The majority of the deferred projects (\$1.4 billion reduction) supported quality-of-life, force projection, operational, and training range requirements. These projects may compete for funding to be included in future MILCON budgets based on current need and senior leader initiatives.

Question. If some of the deferred projects need to be added back into the MILCON program, will the Army offer offsets to maintain the \$1.4 billion in efficiencies?

Answer. Yes, the Army will offer offsets to maintain the \$1.4 billion reduction in the Army's Military Construction Program.

QUESTIONS SUBMITTED BY SENATOR MARY L. LANDRIEU

LAND ACQUISITION EFFORTS AT FORT POLK

Question. Regarding the land acquisition efforts at Fort Polk, I understand the company rejected the first two offers for the initial parcel of land. I have also been informed the local leadership, including one of the local mayors and a police jury president, has reached out to the landowner in an effort to move the process forward. What is the status of the negotiation with that company?

Answer. The Army Corps of Engineers (COE), Fort Worth District, Chief of Real Estate provided an initial written offer with maps and engaged in discussion with a local company official in Shreveport, Louisiana to purchase the initial tract of land. The local company official declined to make a counter offer or proceed with negotiations. To encourage company officials to reconsider, a second offer letter was elevated to the company's principle business office in Boston, Massachusetts. Company officials are reviewing the offer and possible sale to the Government. We expect an update from the company mid- to late May 2011. To date no counter offer has been received and negotiations are not yet complete.

Local and State representatives met with a company representative to emphasize the land acquisition's importance and Fort Polk's significance within Louisiana.

All land negotiations are conducted by Government officials in accordance with the Uniform Relocation Act at 42 U.S.C. 4601, et. seq.

Question. Have you spoken/engaged with the local leadership to inquire about their knowledge of the landowner and his/her asking price?

Answer. There has been no direct dialogue between the COE's Fort Worth District, Chief of Real Estate, and local leadership to inquire about the landowner's asking price. In accordance with the Uniform Relocation Act, the Government offered market value for purchase of land. This value is not shared or made public with any party other than with the landowner involved. The COE is waiting on feedback to our offer directly from the landowner's corporate representative. To date, the COE has no knowledge that the landowner has stated an asking price. Instead, our understanding is that the landowner is assessing if a sale is in their best interest or even possible from their standpoint.

Question. What is the plan for bringing the current landowner to the table for continued negotiations?

Answer. The landowner has not rejected the Government's offer and continues to be involved with negotiations. When/if a counter offer is received from the landowner, those terms will be evaluated and negotiations will continue and possibly conclude with a purchase through a signed offer-to-sell and closing. However, if negotiations for purchase ultimately fail, the Army will have to re-evaluate training requirements and the land acquisition effort.

Question. Would you please tell me the lead from the installation command who is working with the COE in the negotiations? As the Army continues with the Fort Polk land acquisition, I want to ensure we keep the right folks informed and to be of assistance where possible.

Answer. The installation management command lead is the Fort Polk Directorate of Public Works.

Question. Can you provide me a detailed list of the money that is currently available for use to acquire the additional acreage in question around Fort Polk, Louisiana?

Answer. The list of money appropriated and programmed to acquire the additional acreage at Fort Polk is as follows:

- \$17 million military construction (MILCON) dollars have been appropriated for project number (PN) 74406 in fiscal year 2010;
- \$30 million MILCON dollars have been appropriated for PNs 66194 and 72676 in fiscal year 2011, \$6 million and \$24 million, respectively;
- \$27 million MILCON dollars are being requested in fiscal year 2012 for PN 66195; and
- \$30 million MILCON dollars are planned for PN 66196 in fiscal year 2013.

Question. Also, please detail when these different pots of money were appropriated to the Army, for what purpose, and in what account?

Answer. Currently, only Military Construction, Army dollars have been appropriated for land acquisition at Fort Polk. These dollars were appropriated as follows:

- one project for \$17 million in fiscal year 2010;
- two projects for \$30 million in fiscal year 2011;
- one project for \$27 million has been requested in fiscal year 2012; and
- one project for \$30 million is planned in fiscal year 2013.

Question. Also if any of these monies are at risk in the Army's overall budgeting process. I see this as an important project for the Army's training and recap efforts and want to provide the right amount of oversight to protect these appropriations.

Answer. The Army does not currently see these dollars at risk. It is important to note that although land acquisition funds are requested as MILCON projects, in truth they have little in common with traditional facility construction projects. For example, they tend to have slower execution timetables, which are dependent upon having all of the funds on hand to conclude a negotiation in good faith with landowner(s). The Army would urge patience and caution when analyzing unobligated balances in the Military Construction, Army account, as unobligated balances in land acquisition programs deserve to be treated differently than regular construction projects.

Question. The Army has indicated that the privatized family housing has been given the go-ahead to build roughly 192 additional units on Fort Polk. Will these be houses that are refurbished from existing units or will they be newly constructed units?

Answer. The current family housing deficit at Fort Polk is 192 units. Of that deficit, the project will construct 112 new units. The remaining 80 units will likely be addressed via a variety of methods—i.e., home purchases, soldiers choosing not to bring their families to Fort Polk, or soldiers residing outside the defined commute area.

Question. And what is the timeframe for completion?

Answer. All 112 of the new homes will be constructed by March 2014.

Question. I am encouraged to hear that Fort Polk was selected as participant in the Army's Net Zero Waste Program. What are the necessary steps that we (local, State, and Federal leaders) can take to make the Net Zero Waste Initiative a successful program in and around Fort Polk?

Answer. Fort Polk is working with more than 70 local community partners to establish long-term goals and identify opportunities to improve sustainable practices. Local mayors, the Louisiana Economic Development Agency, and industry are very proactive and support establishing a regional recycling program. Continued partnerships among the Army, local community groups, and other key stakeholders are critical in meeting the Net Zero Waste goal at Fort Polk.

Question. Are there any steps that would help make this initiative viable for the long term?

Answer. The continued collaboration between Fort Polk and local community stakeholders to address regional waste reduction will ensure that the Net Zero Waste initiative is viable into the future. A regional recycling facility will reduce the total volume of waste that has to be disposed of in local landfills, directly assisting both Fort Polk and the local communities to achieve sustainable goals.

Question. Are there any public-private partnership opportunities?

Answer. No, family housing was privatized in September 2004, lodging was privatized in August 2009, and there are no additional privatization opportunities being considered at this time.

Question. The soldiers and the families of Fort Polk deserve quality housing. The first six renovated barracks are receiving very positive reviews from the soldiers and their leaders. Would you provide me with a detailed timeframe for the proposed completion of the remaining barracks that are slated for renovation?

Answer. The Army has engaged in a long-term initiative, the Barracks Modernization Program, to improve living conditions for soldiers residing in permanent party barracks at all Army installations. Fort Polk has an inventory of 4,920 spaces in 33 barracks buildings for permanent party single soldiers in the ranks of private through sergeant. The sustainment, restoration, and modernization (SRM) funded fiscal year 2008–2009 projects to renovate 16 barracks buildings and four central energy plants are scheduled to be completed by February 2013. The Army is planning on renovating six more barracks buildings with SRM funding in 2011 with completion scheduled for 2013. Ten more barracks buildings are planned for renovation through SRM-funded projects in fiscal year 2012. These renovations are estimated to be completed by fiscal year 2014.

QUESTIONS SUBMITTED BY SENATOR KAY BAILEY HUTCHISON

HEAVY BRIGADE COMBAT TEAM

Question. Secretary Hammack, the Department of Defense announced on Friday, April 8, that the Army will be re-deploying one heavy brigade combat team (BCT) from Germany to the United States, although it is not yet determined which BCT will be redeployed and the move would not occur until 2015. As you are aware, there are only two heavy BCTs in Europe, the 170th infantry brigade in Baumholder and the 172nd infantry brigade in Grafenwoehr. How will the Army determine which BCT will be redeployed and what installation in the United States the BCT will be re-deployed to?

Answer. The Department of Defense recently announced that it will retain three BCTs in Europe to maintain a flexible and rapidly deployable ground force to fulfill the United States' commitments to NATO, to engage effectively with allies and partners, and to meet the broad range of 21st century challenges. In addition, the Secretary of Defense announced plans to reduce the Active component Army end strength by 27,000 soldiers beginning in 2015. In light of these announcements, the Army is conducting a thorough analysis to determine the overall makeup of the force. Any BCT stationing decisions will be addressed, along with other force structure actions, at the conclusion of this year's Total Army Analysis.

Question. Secretary Hammack, on January 11 when Secretary Gates made his announcement about efficiency initiatives that the Department was looking to implement, he mentioned that in an effort to save \$6 billion the Army's permanent Active Duty end strength would be reduced by 27,000 troops starting in 2015. Is it your assessment that the BCT scheduled to be redeployed from Germany could be impacted by these troop cuts?

Answer. No decision has been made as to what types of units or what installations will be impacted by the Secretary of Defense announcement to reduce the Active component by 27,000 soldiers. The Army is conducting a thorough analysis to determine the unit and stationing implications associated with this end strength reduction.

QUESTION SUBMITTED BY SENATOR MITCH MCCONNELL

THE BLUE GRASS ARMY DEPOT

Question. The Blue Grass Army Depot (BGAD) industrial operations, specifically the mine resistant ambush protected (MRAP) and chemical defense equipment (CDE) operations, are important missions that support the combat fighters. What

is the Department of Defense's plan for these two critical functions, for the overall future workload at BGAD in this vein and for the relevant work force at BGAD?

Answer. Thank you for recognizing the importance of our mission at BGAD. I will address your MRAP question first. The Joint Program Management Office for MRAPs is currently storing MRAP kits and raw materials at BGAD on a year-by-year basis as needed. In fiscal year 2011 we will provide approximately \$500,000 to fund storage operations, to date \$250,000 has already been provided. We anticipate the same level of funding in fiscal year 2012. The plan for the CDE mission at BGAD is to execute the same level of funding in fiscal year 2012 that was executed in fiscal year 2011—\$2.4 million. BGAD possesses a unique stock, store, and distribution system that has the capability to manage shelf life items. There are more than 400 CDE items that require intensive shelf life management.

QUESTION SUBMITTED BY SENATOR ROY BLUNT

LAND ACQUISITION EFFORTS AT FORT POLK

Question. Can you please provide an accounting of the actions being taken by the Army to expeditiously repair and replace housing and training facilities damaged or destroyed by the tornadoes that affected Fort Leonard Wood in February?

Answer. The installation management command has validated a cost estimate of \$19 million in sustainment, restoration, and modernization and base operations support costs as a result of the tornado damage. Currently, the installation has completed 65 projects; 53 projects are under construction; and 15 projects are in the design phase and contracting phase. Fort Leonard Wood has completed 85 percent of the installation cleanup. Operations and training at Fort Leonard Wood are normal; the installation has provided workarounds until all repairs/replacements are made to facilities, ranges, and training areas so no training or normal operations are hindered.

Fort Leonard Wood had/has surplus housing and the tornado did not adversely impact the supply of housing. Prior to the tornado, Fort Leonard Wood was drawing down from 2,242 homes to an end state of 1,806 homes and that plan remains the same. The project will replace all 40 destroyed homes with new construction and build an additional 100 new homes with \$15.75 million in Grow the Army funds previously transferred to the Family Housing Improvement Fund for privatization initiatives.

Construction is anticipated to begin July 1, 2011. All of the damaged homes will be repaired with insurance proceeds—final estimates are still pending.

QUESTIONS SUBMITTED TO GENERAL JAMES BOOZER

QUESTIONS SUBMITTED BY SENATOR TIM JOHNSON

BRIGADE COMBAT TEAM ANNOUNCEMENT

Question. General Boozer, on Friday, the Department of Defense announced its intent to revise force posture in Europe. As part of that announcement, the Department intends to retain three brigade combat teams (BCTs) in Europe instead of four.

Will the fourth BCT be re-stationed in the United States or is there a possibility that it will be deactivated?

Answer. A decision has not yet been made regarding the heavy brigade. The Army continues to anticipate increased budget pressures which will require that it evaluate force capabilities and structure. The required Active component end strength reduction may impact all installations across the force. A stationing decision for the BCTs and other force structure actions, to include end strength reductions, will be addressed at the conclusion of this year's Total Army Analysis.

Question. How will this decision impact Army bases at Bamberg and Schweinfurt in Germany?

Answer. Future impact to the Army bases at Bamberg and Schweinfurt, to include the locations for the three BCTs to remain in Europe, will be determined at the conclusion of the this year's Total Army Analysis.

Question. Is the Army end strength reduction linked to the reduction of one BCT in Germany?

Answer. The disposition of BCTs in Europe was pending NATO's strategic concept and U.S. defense posture. To date, no decisions have been made as to what types of units or what installations will be impacted by the Secretary of Defense an-

nouncement. The Army will develop its plan to adjust force structure to meet the 27,000 end strength reduction, and a set of options will be presented to Army senior leadership for decision.

QUESTIONS SUBMITTED BY SENATOR KAY BAILEY HUTCHISON

BARRACKS FACILITIES IN GRAFENWOEHR

Question. General Boozer, the Army requested \$75.5 million in fiscal year 2011 for construction of new barracks facilities in Grafenwoehr, home of the 172nd heavy brigade combat team (BCT), and for fiscal year 2012 the Army is requesting \$38 million in new military construction (MILCON) projects for a new barracks facility, chapel, and convoy live fire range. Why is the Army requesting more than \$100 million for new construction in Grafenwoehr if the 172nd BCT could potentially be re-deployed to the United States?

Answer. All of the MILCON projects requested in Germany for fiscal year 2011 and fiscal year 2012, including the projects at Grafenwoehr, have validated requirements that would still exist regardless of whether the 172nd heavy BCT is, or is not, selected to depart from Europe. The Army's construction request in Europe was specifically planned to be neutral on BCT stationing, given that no decision on force posture in Europe had been made at the time the budget was developed.

BRIGADE COMBAT TEAM COMPLEX AT FORT BLISS

Question. General Boozer, as you are aware the American taxpayers have spent more than \$437 million to build a brand new BCT complex at Fort Bliss. If the decision is made not to re-deploy a heavy BCT to Fort Bliss, what will become of this brand new facility?

Answer. The Army asserted in its gap analysis that the 48th BCT MILCON would be required to support population increases as well as to address facility requirements related to the activation of the 212th fires brigade (fourth quarter fiscal year 2011), the re-stationing of the 15th sustainment brigade (second quarter fiscal year 2011), and the pending increased mission requirements pertaining to the Army Evaluation Task Force, effective second quarter fiscal year 2011. The current Fort Bliss Facility Synchronization Plan includes:

212th Fires Brigade.—Re-stationing to Fort Bliss (fourth quarter fiscal year 2011), and is scheduled to occupy its phase 1/recently completed MILCON, as well as a portion of the BCT No. 48 complex (supporting its requirement for two tactical equipment maintenance facilities and six company operation facilities).

15th Sustainment Brigade (Headquarters and Headquarters Company Only).—Relocated from Fort Hood in second quarter fiscal year 2011, moving into a portion of the BCT No. 48 complex.

Division Special Troop Units.—Expected activation date of third quarter fiscal year 2011, with planned facility support to include legacy facilities, relocatables, and a portion of the 48th BCT complex, once completed third quarter fiscal year 2011.

Army Evaluation Task Force.—Currently resides in legacy facilities on main post. Pending senior leadership review and approval, the Army Evaluation Task Force could conduct a phased movement of its mission operation and personnel to the 2/1AD BCT complex.

Although the decision to remove one brigade from Europe by 2015 was announced, the Army has yet to determine which one of the four brigades will be removed from Europe, has not determined if it will relocate to the United States, nor has any decision been made on its final location. However, should a BCT be returned to Fort Bliss, additional MILCON will be required to support its relocation.

QUESTIONS SUBMITTED TO GENERAL RAYMOND CARPENTER

QUESTIONS SUBMITTED BY SENATOR TIM JOHNSON

LACK OF EARMARKS/PLUS UPS

Question. In past years, the Congress has made it a priority to provide additional military construction (MILCON) funding for the Army Guard and Army Reserve in the form of earmarks and plus-ups to account top-lines.

General Carpenter, with the increased reliance on the National Guard for operational mission support, and the overwhelming need to improve Guard facilities for

training, can the Guard realistically meet its MILCON requirements without help from the Congress through earmarks?

Answer. The President's budget does not assume the receipt of earmarks, and our internal processes are based on mission-related requirements. Earmarks have, in the past, addressed the replacement and maintenance of legacy facilities and meeting mission requirements. The President's budget request provides distribution of MILCON resources within established priorities of the Army.

Question. What impact will the current ban on earmarks have on the Guard MILCON program?

Answer. The internal process for selecting MILCON projects in the President's Budget is based on mission related requirements and does not assume the receipt of earmarks. This selection process will not change if earmarks are not received. The President's budget request provides distribution of resources within established priorities of the Army and identifies the Army National Guard's level of funding for the Military Construction, Army National Guard program.

QUESTIONS SUBMITTED TO MR. JAMES SNYDER

QUESTION SUBMITTED BY SENATOR TIM JOHNSON

LACK OF EARMARKS/PLUS UPS

Question. Same question to you, Mr. Snyder—what impact will the earmark ban have on the Army Reserve's ability to meet its military construction (MILCON) requirements?

Answer. The earmark ban will have a minimal impact on the Military Construction, Army Reserve program. The President's budget request provides an equitable distribution of resources within the established priorities of the Army and provides the Army Reserve with \$281 million for the Military Construction, Army Reserve program. However, as with the Active component and the National Guard funding, the Army Reserve funding is currently not sufficient to address all of the Army Reserve requirements to include modernizing our legacy facilities and upgrading our facilities to meet current operational training standards.

QUESTIONS SUBMITTED BY SENATOR MARK L. PRYOR

ARMY STRONG COMMUNITY CENTER

Question. The Army Strong Community Center (ASCC) is an element of the Army Reserve virtual installation that was created to fill gaps in services and to support geographically dispersed service members, retirees, veterans, and their families. There are currently four pilot sites:

- Rochester, New York;
- Brevard, North Carolina;
- Coraopolis, Pennsylvania; and
- Oregon City, Oregon.

I understand a new ASCC recently opened in Oregon. Can you talk briefly about how this program works and the future expansion of the project?

Answer. ASCCs are an element of the Army Reserve Virtual Installation Program created to fill in gaps in services, and support geographically dispersed soldiers, retirees, veterans, and their families. The ASCCs provide responsive support through a personal touch by trained, qualified, and skilled staff. They combine military and community resources to provide, virtually, the same level access to support that soldiers and families would expect from a military installation.

Soldiers and families need responsive services near where they live, and should not be required to drive great distances to Active component installations. The ASCCs connect soldiers and families with services that exist in the community, and provide them directly via personal touch, to obtain resolution. The ASCCs also build community-based capacity and foster effective Federal, State, and local partnerships. Through these efforts, initiatives are built and strengthened, while partnerships are fostered, and services coordinated to support the strength, resilience, and readiness of soldiers and their families. There are currently four pilot ASCCs in operation:

- Rochester, New York;
- Brevard, North Carolina;
- Coraopolis, Pennsylvania; and
- Oregon City, Oregon.

As each pilot ASCC opens, Army Reserve Family Programs conducts analysis of their usage, types of issues resolved, and the demographics served in order to ensure proper selection of new pilot sites, services offered, and staffing. Plans for a total of six pilot sites, in both rural and urban areas, in partnership with Federal, State, and local agencies, are in motion.

Question. As you know, Arkansas has many rural areas and a significant number of Reserve members. I read there are four locations to be added throughout the year. What criteria do you look at when deciding where to open the centers?

Answer. Army Reserve Family Programs conducts market research and analysis of the areas throughout the country to determine the Army Reserve's ability to partner with local community and other organizations to create a network to assist Army Reserve soldiers and families.

ASCCs build community capacity and foster effective partnerships with Federal, State, and community agencies, as well as with veterans' and social service organizations. We are looking for opportunities to partner with community colleges, Veterans' Affairs centers, and other cost-effective locations.

Prior to opening a pilot ASCC the criteria used to determine each site includes the below elements:

- Army Reserve soldier and veteran population within 50-mile radius.
- Installation Army community services, Navy family services, Air Force Family Service Centers, and National Guard Family Assistance Centers within 50-mile radius.
- Facilities with easy access for soldiers and families, space for parking, office suite that has private office space, comfortable waiting area for adults and children, Internet, and e-mail capability, controlled access, and safety features.

DEPARTMENT OF THE AIR FORCE

STATEMENT OF HON. TERRY A. YONKERS, ASSISTANT SECRETARY OF
THE AIR FORCE (INSTALLATIONS, ENVIRONMENT AND LOGIS-
TICS)

ACCOMPANIED BY:

MAJOR GENERAL TIMOTHY A. BYERS, CIVIL ENGINEER, UNITED
STATES AIR FORCE

MAJOR GENERAL WILLIAM H. ETTER, DEPUTY DIRECTOR, AIR NA-
TIONAL GUARD

MAJOR GENERAL JAMES F. JACKSON, DEPUTY CHIEF, UNITED
STATES AIR FORCE RESERVE

Senator JOHNSON. I am pleased to welcome our second panel of witnesses. The Hon. Terry A. Yonkers, Assistant Secretary of the Air Force; Major General Timothy A. Byers, the Air Force Civil Engineer; Major General William H. Etter, Deputy Director of the Air Guard; and Major General James F. Jackson, Deputy Chief of the Air Force Reserve.

This year's military construction (MILCON) budget for the Air Force is \$1.4 billion, which is \$97 million more than last year's request.

I am pleased to see that the Air Force Reserve request is more than triple the fiscal year 2011 request, which funded only one project. But I note that the Air Guard's request is 40 percent lower than last year's request.

I continue to believe that more needs to be done to address the backlog of MILCON requirements for Guard and Reserve forces, and I am interested in your thoughts on the impact that a moratorium on earmarks will have on the Reserve's forces.

As I said at last week's hearing, I recognize that there are hard choices we must make in these difficult economic times. But we must not shortchange our Reserve forces at a time when their resources and manpower are already stretched thin.

Again, thank you for coming. We look forward to your testimony.

Mr. Secretary, I understand that you will be offering the only opening statement. Your full statement will be entered into the record, so I encourage you to summarize it to leave more time for questions.

Please proceed.

SUMMARY STATEMENT OF HON. TERRY A. YONKERS

Mr. YONKERS. Thank you, Mr. Chairman, Senator Kirk, and distinguished members of the subcommittee.

I want to thank you for allowing us to be here today to talk to the subcommittee about our MILCON, housing, base realignment, and other programs within the jurisdiction of this subcommittee. Again, thank you very much for the continued strong support that you have provided to our Air Force over the years.

As you mentioned, sir, today I am joined by the Civil Engineer of the Air Force, General Tim Byers, Deputy Director of the Air National Guard, General William Etter, as well as the Deputy Chief of Air Force Reserve, General Jim Jackson.

I would like to put in a pitch, as you heard from Secretary Hammack, about the continuing resolution, and it is the criticality of getting this fiscal year 2011 appropriations bill passed. We right now have about \$650 million worth of MILCON that is on hold in the same status as the Army with regards to ready to go designs, ready to be contracted for, but they are on hold because of the green light to proceed with new MILCON starts. That constitutes just about one-half of our MILCON projects for this year.

A right-sized and efficient infrastructure is essential to enabling our total Air Force and airmen to perform their duties, while ensuring responsible stewardship of the fiscal resources we are entrusted with. Our fiscal year 2012 President's budget request contains \$2 billion for MILCON, family housing, and base realignment and closure (BRAC).

The \$1.4 billion MILCON request, as you mentioned, sir, ensures new construction is aligned with our weapon system deliveries and strategic basing initiatives, and keeps us on track to eliminate inadequate housing for unaccompanied airmen by the year 2017.

The \$1.4 billion MILCON request includes \$147 million to continue supporting Guam Strike and the beddown of the persistent missions at Andersen Air Force Base, Guam, that include the fighters, the bombers, the tankers, and the intelligence, surveillance, and reconnaissance platforms that we will have there. Guam Strike provides the air power vital to the U.S. Pacific Command's theater's engagement plan. And we continue to work through the Office of the Secretary of Defense-established Joint Guam Program Office, who ensures all the services' requirements are planned collaboratively for maximum effectiveness, efficiency, and synergy at Guam.

The Air Force is well on its way to privatize the 52,500 houses on all of our bases in the continental United States by the year 2012. To date, we have provided more than 1,500 new homes, 8,000 renovated homes for our airmen through housing privatization at 44 bases in 27 projects across the country.

This would not have been possible without our private sector partners who have allowed us to do \$6.5 billion worth of development for an Air Force investment of \$423 million. That is a 15-to-1 exchange and leverage.

There are six privatized housing projects yet to be done—Southern Group, Joint Base Elmendorf-Richardson, the Western Group, the Continental Group, Air Combat Command Group III, and the Northern Group—that remain and will provide upgraded houses at 19 installations. The final project, the Northern Group, sir, which I know you are familiar with, is scheduled to close January 2012.

Our efforts to provide quality housing for airmen and their families also includes nearly \$500 million to sustain and modernize overseas housing and support housing privatization in the continental United States.

As far as BRAC 2005 is concerned, the Air Force is on track to fully implement all of the statutory requirements required of us by

the BRAC 2005 legislation. And we are fully funded at the \$3.8 billion that has already been authorized.

Housing for our unaccompanied airmen remains a top priority for us. Our fiscal year 2012 budget request includes seven new construction dormitory projects that total \$190 million.

This investment keeps us on track to meet our 2017 goal to provide adequate dormitories for all our unaccompanied airmen.

We are also supporting our partners at the Joint Base Elmendorf, Alaska; Joint Base San Antonio, Texas; and Joint Base Langley-Eustis in Virginia with a construction of three more dormitories worth \$190 million. These projects represent the last of the joint base MILCON funds transferred to the Air Force.

Let me shift gears just a little and talk about environmental and some of the efficiencies that we are looking at within the portfolio of Installations, Environment and Logistics.

Earlier this year, I signed out a policy that refocuses our environmental restoration efforts. The policy moves us much closer to completing cleanups of contaminated sites by leveraging available technologies and industry innovation through such contracting mechanisms as performance-based contracts.

We have established some new goals to get to the end point much sooner than we are scheduled to do prior. For example, we are looking at accelerating the completion of sites of 75 percent of our Active bases by the year 2015, and for our BRAC sites, 90 percent by the same timeframe.

Our Air Force installations, renewable energy is a key pillar to our goal for increasing energy supply. Increasing energy efficiency is central to addressing our goal of reducing the energy demand.

In fiscal year 2010, the Air Force funded 100 percent of our eligible MILCON projects to meet the LEED Silver standards. We have designed all new buildings since 2007 to be at least 30 percent more energy-efficient. Within the Federal Government, the Air Force is also a leader in renewable energy use with 6.4 percent of our electricity coming from renewables to date. Last year, we had 85 renewable energy projects on our bases that produced more than 34 megawatts of power and we expect to have 1,000 megawatts of renewable power in production within the next couple of years.

The budget request and efficiencies described here represent only a small sample of the efforts to meet our responsibilities to our airmen and to the Nation. While these are certainly challenging times for everyone, sir, and you have said it, the Air Force remains committed to fulfilling its obligation to fly, fight, and win as never before.

PREPARED STATEMENT

Chairman Johnson, Senator Kirk, and distinguished members of the subcommittee, it is really an honor again to be here today and thank you for your continued support. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF HON. TERRY A. YONKERS

INTRODUCTION

The United States faces diverse and complex security challenges that require a range of agile and flexible capabilities. From the ongoing conflicts in Afghanistan and Iraq, to potential confrontation with aggressive State and non-State actors, to providing humanitarian assistance, the Air Force continues to provide capabilities across the range of potential military operations. As part of this effort, we must ensure that we have right-sized and efficient infrastructure that enables our most valuable resource, our total force airmen, to perform their duties, while ensuring responsible stewardship of fiscal resources. To maximize our contributions to the joint team, we structured our resource choices by balancing them across the near- and long-term.

Over the last year, the Air Force has striven to deliver our trademark effectiveness in the most efficient way possible. We are focused on five priorities, which serve as a framework for this testimony:

- Continue to strengthen the nuclear enterprise;
- Partner with the joint and coalition team to win today's fight;
- Develop and care for our airmen and their families;
- Modernize our air, space and cyberspace inventories, organizations, and training; and
- Recapture acquisition excellence.

OVERVIEW

Our fiscal year 2012 President's budget request contains \$2 billion for military construction (MILCON), military family housing, and base realignment and closure (BRAC). The \$1.4 billion MILCON request represents an increase of \$97 million more than fiscal year 2011, allowing us to invest in the top priorities of the Air Force and our combatant commanders, even in a fiscally constrained environment. This request also ensures new construction is aligned with weapon system deliveries and strategic basing initiatives. In addition, we continue our efforts to provide quality housing for airmen and their families by dedicating nearly \$500 million to sustaining and modernizing overseas housing, and supporting housing privatization in the continental United States. Our unaccompanied airmen remain a top priority; we request \$190 million to invest in dormitories, keeping us on track to meet our goal of eliminating inadequate housing for unaccompanied airmen by 2017. Finally, we also request \$124 million to continue completing our legacy BRAC programs and environmental clean-up.

In the course of building the fiscal year 2012 budget request, we applied asset management principles to ensure maximum efficiency without compromising the effectiveness of our installation weapons systems, the platforms from which we fly and fight. This was accomplished through the judicious funding of our sustainment priorities (for example, spending money in the right place at the right time to keep our good facilities good) and using MILCON to recapitalize existing facilities first, as a preferred alternative to growing our footprint.

CONTINUE TO STRENGTHEN THE NUCLEAR ENTERPRISE

Since its inception, the Air Force has served as a proud and disciplined steward of a large portion of the Nation's nuclear arsenal. We steadfastly secure and sustain these nuclear weapons to deter potential adversaries and to assure our partners that we are a reliable force providing global stability. Reinvigorating stewardship, accountability, compliance, and precision within the nuclear enterprise remains the Air Force's No. 1 priority. While we have made progress in this area, we have taken additional steps in the fiscal year 2012 budget to continue to strengthen and improve this core function.

Air Force Global Strike Command achieved full operational capability on September 30, 2010, moving all Air Force nuclear-capable bombers and intercontinental ballistic missiles under one command. In addition to ensuring that our organizations and human resource plans support this mission, we are also concentrating on the infrastructure and facilities that are crucial to our success. Air Force civil engineers have conducted enterprise-wide facility assessments and understand that a significant portion of the existing infrastructure will require modernization or complete replacement in the years ahead. Our fiscal year 2012 budget request begins to address these issues with \$75.6 million in MILCON for the nuclear enterprise, including a B-52 maintenance dock at Minot Air Force Base, North Dakota, and an addition to the Air Force Nuclear Weapons Center at Kirtland Air Force Base, New Mexico.

These and similar projects in the years to come will ensure maximum effectiveness for the Air Force's most important mission.

PARTNER WITH THE JOINT AND COALITION TEAM TO WIN TODAY'S FIGHT

Our Air Force continues to project air, space, and cyber power to great effect in our conflicts in Afghanistan and Iraq, and our men and women make incredible contributions every day. We currently have more than 33,000 airmen deployed, including nearly 2,300 Air Force civil engineers. Nearly one-half of these engineers are filling joint expeditionary taskings, serving shoulder-to-shoulder with our soldier, sailor, and marine teammates. Due to their wide array of skills, our Air Force rapid engineer deployable heavy operational and repair squadron engineers (RED HORSE) and our prime base engineer emergency force (Prime BEEF) personnel are in high demand in several theaters of operation.

In addition to the contributions and sacrifices of our airmen, our fiscal year 2012 budget request invests \$366 million in projects that directly contribute to today's fight. Examples include the following:

Projects Supporting Our Combatant Commanders That Will Greatly Enhance Ongoing Operations.—These include the recapitalization of headquarters, United States Strategic Command at Offutt Air Force Base, Nebraska and a new air freight terminal complex at Andersen Air Force Base, Guam.

New Facilities for Operations and Mission Support.—A new air support operations facility at Fort Riley, Kansas will further our efforts to support joint terminal attack control specialists as they partner with ground forces to integrate airpower in Iraq and Afghanistan. Additionally, we are strengthening communications capabilities of combatant commanders with a satellite communications relay in Sigonella, Italy, and a communications and network control center at Nellis Air Force Base, Nevada.

Improvements at Andersen Air Force Base, Guam.—Three projects continue to support the Guam Strike initiative, consolidating operational capability for fighter and bomber operations at the base.

DEVELOP AND CARE FOR AIRMEN AND THEIR FAMILIES

The all-volunteer force provides the foundation for our flexibility and agility. Our fiscal year 2012 budget request reflects a commitment to providing first-class housing, while focusing on training and education, and striving to improve the overall quality of life for our airmen and their families.

The best airmen in the world deserve the best facilities in the world, and our fiscal year 2012 budget request supports that goal. We aim to build upon the foundation laid during the Year of the Air Force Family, and utilize new data such as our 2010 Dormitory Master Plan to ensure we effectively allocate taxpayer dollars to our most pressing requirements.

Billeting

We continue our efforts to provide quality housing for our airmen deployed to the U.S. Central Command theater with the fourth phase of the Blatchford-Preston Complex at Al Udeid Air Base, Qatar. This \$37 million project will build two dormitories, raising the billeting capacity there to 3,332 rooms.

Dormitories

Housing for our unaccompanied airmen remains a top priority, and our Dormitory Master Plan provides valuable insight into how to maximize the impact of our investment. Our fiscal year 2012 budget request includes seven dormitory projects totaling \$190 million. These include dorms at:

- Travis Air Force Base, California;
- Osan Air Base, Korea;
- Eielson Air Force Base, Alaska;
- Minot Air Force Base, North Dakota;
- Ramstein Air Base, Germany;
- Thule Air Base, Greenland; and
- Cannon Air Force Base, New Mexico.

This investment keeps us on track to meet our 2017 goal to provide adequate housing for all unaccompanied airmen. We are also supporting our partners at Joint Base Elmendorf, Alaska; Joint Base San Antonio, Texas; and Joint Base Langley-Eustis, Virginia, with the construction of three dormitories worth \$193 million. These projects represent the last of the Joint Base MILCON funds transferred to the Air Force.

Training and Education

The most professional airmen in the world grow into the world's best noncommissioned officers because of the investments we make in their education, starting from the day they enlist. We have two projects in this year's program totaling \$78 million that address these areas. They include the fourth phase of the basic military training complex at Lackland Air Force Base, Texas, and an Education Center at Vandenberg Air Force Base, California.

Military Family Housing

We are carrying forward the momentum we gained during the Year of the Air Force Family with continued investment in building thriving housing communities. Our fiscal year 2012 budget request for military family housing is nearly \$500 million. Included in this request is \$85 million to improve nearly 1,400 homes in Japan and the United Kingdom and an additional \$405 million to fund operations, maintenance, utilities, and leases, and to manage privatized units for the family housing program.

Housing privatization has leveraged \$423 million into \$6.5 billion in private sector financing; it is central to the success of our housing initiatives. At the start of fiscal year 2012, we will have 47,700 privatized units, increasing to 52,500 by January 2012, when 100 percent of our family housing in the United States will be privatized.

Child Development Centers

The final component of caring for airmen and families is ensuring the children of our service men and women receive the same standard of care at installations around the world, from bases in major metropolitan areas to those in remote locations to those overseas. The American Recovery and Restoration Act allowed us to allocate \$80 million for eight new child development centers, to help ensure that our force has adequate child care capacity. This year, we have only one requirement for a child development center, at Holloman Air Force Base, New Mexico. This \$11 million project will get our airmen's children out of temporary, substandard facilities.

MODERNIZE OUR AIR, SPACE, AND CYBERSPACE INVENTORIES, ORGANIZATIONS, AND TRAINING

Modernizing our force to prepare for a wide range of future contingencies requires a significant investment. For fiscal year 2012, a key focus area is enabling the bed-down of several new weapon systems. Therefore, we are requesting \$233 million for a variety of MILCON projects, including:

Five Projects To Beddown Our Newest Fighter, the F-35.—This includes the F-35 force development and evaluation mission at Nellis Air Force Base, Nevada, the second training location at Luke Air Force Base, Arizona, and the first operational unit at Hill Air Force Base, Utah.

Three Projects Supporting Our HC/EC/C-130J Fleet.—These projects include a joint use fuel cell at Davis-Monthan Air Force Base, Arizona, and flight simulators at Davis-Monthan and Pope Air Force Base, North Carolina.

Three Projects Supporting the Pacific Regional Training Center at Andersen Air Force Base, Guam.—This requirement was driven by the re-location of the 554th RED HORSE from Korea to Guam in 2007, along with an increased need for expeditionary training in the Pacific.

Other Projects.—These will support diverse mission areas, including C-5 training, F-22 support, the F-16 beddown at Holloman Air Force Base, New Mexico, and support operations at Barksdale Air Force Base, Louisiana; Fairchild Air Force Base, Washington; the United States Air Force Academy, Colorado; and Cannon Air Force Base, New Mexico.

RECAPTURE ACQUISITION EXCELLENCE

The Air Force continues its efforts to optimize the effective use of taxpayer resources in the acquisition of goods and services. By focusing on asset management principles, we have built a culture that supports the warfighter by delivering the right products and services on time, within budget, and in compliance with all applicable laws, policies, and regulations. Where possible, we seek strategic sourcing opportunities to maximize the use of available dollars, pursuing ways to leverage our size as we purchase common commodities and services to be used across the enterprise. Our engineering and contracting communities continue to partner on efforts to transform the processes that support Air Force installation-related acquisition.

OTHER PROGRAMS OF NOTE

Base Realignment and Closure Actions

Completing Air Force BRAC actions remains a priority for the Air Force and Department of Defense. The fiscal year 2012 request includes \$123.5 million for legacy BRAC actions at our 28 remaining former bases, and \$1.97 million to perform program management, environmental restoration, and property disposal at locations closed in BRAC 2005. The Air Force is on track to fully implement all BRAC 2005 recommendations by the mandated September 2011 deadline.

*Legacy Base Realignment and Closure**Real Property Transformation*

The Air Force remains a Federal leader in the implementation of the management principles outlined in Presidential Executive Order 13327, Federal Real Property Asset Management. We continue to aggressively manage our real property assets to deliver maximum value for the taxpayer, improve the quality of life for our airmen and their families, and ensure the protection and sustainment of the environment while providing the highest level of support to Air Force missions. The Air Force is achieving these goals through an enterprise-wide asset management transformation that seeks to optimize asset value and to balance performance, risk, and cost over the full asset lifecycle. Our approach is fundamentally about enhancing our built and natural asset inventories and linking these inventories to our decision-making processes and the appropriate property acquisition, management, and disposal tools. Even though the BRAC 2005 round did not substantially reduce the Air Force's real property footprint, our current transformation efforts seek to shrink from within and to leverage the value of real property assets in order to meet our "20/20 by 2020" goal of offsetting a 20-percent reduction in funds available for installation support activities by achieving efficiencies and reducing by 20 percent the Air Force physical plant that requires funds by the year 2020.

Base Realignment and Closure Property Management

To date, the Air Force has successfully conveyed nearly 90 percent of the 88,000 acres of Air Force land directed by BRAC 1988, 1991, 1993, 1995, and 2005 with the remainder under lease for redevelopment and reuse, or pending final transfer. With the successful redevelopment of Air Force BRAC property, local communities have been able to increase the number of area jobs by more than 45,000.

To complete the clean up and transfer of remaining property, the Air Force is partnering with industry leaders on innovative business practices for its "way ahead" strategy. Of the 40 BRAC bases slated for closure—including BRAC 2005—the Air Force completed 23 whole-base transfers as of September 2010. Eleven of the remaining 17 legacy and BRAC 2005 bases are targeted for transfer by the end of fiscal year 2011, while the remaining BRAC bases (Chanute, George, McClellan, Wurtsmith, Williams, and Galena) will transfer no later than the end of fiscal year 2014.

In February 2011, I issued a memo directing accelerated site completion and performance-based remediation (PBR) performance objectives. For the BRAC program, 90 percent of all sites must be completed by 2015 and 95 percent under a PBR by 2014. Performance based remediation projects and contracts represent the Air Force's best tool for achieving site completion in the quickest timeframe and best value to the Air Force, while still protective of human health and environment. Also included in this directive, is an initiative to reduce overhead and management costs to below 10 percent of program, costs.

Joint Basing

The Air Force remains committed to maximizing installation efficiency and warfighting capability, while saving taxpayer resources and being the best partner we can be. The Air Force has equity in 10 of the 12 joint bases and is the lead service for 6 of the 12. All 12 bases achieved full operating capability on October 1, 2010. We anticipate that the benefits derived from this initiative will yield significant efficiencies and cost savings.

Energy

The Air Force energy vision is to reduce demand through conservation and efficiency, increase supply through alternative energy sources, and create a culture where all airmen make energy a consideration in everything we do. In pursuit of this vision, the Air Force continues as a Federal energy leader by advancing energy independence through coordinated efforts aimed at minimizing energy costs and leveraging proven technology in conservation measures and renewable energy devel-

opment, while matching system reliability and critical asset security with Air Force mission requirements. These efforts effectively reduce dependence on commercial supply and delivery systems and enhance energy security for the Air Force. The Air Force is committed to reducing its greenhouse gas emissions and carbon footprint through the reduced use of fossil fuels consumed directly through vehicles and facilities or indirectly through consumption of fossil fuel-generated electricity from the national electric grids. In fiscal year 2012, we will continue our energy conservation efforts, which have already reduced facility energy use nearly 15 percent from 2003 levels. In fiscal year 2011, we exceeded our goals and produced or procured nearly 7 percent of our total facility energy from renewable sources, and we have led the Department of Defense as the No. 1 purchaser of renewable energy for the fifth year in a row.

CONCLUSION

The Air Force remains a trusted and reliable joint partner—all-in to provide air, space, and cyberspace capabilities to our combatant commanders as they face the myriad short- and long-term security challenges in their areas of responsibility. Nearly two-thirds of the men and women serving in our Air Force today are actively supporting combatant commanders in their fight across the full spectrum of military operations from installations all over the world. Our fiscal year 2012 budget request balances warfighter requirements, recapitalization efforts, new mission beddows, and quality-of-life requirements.

As we have shown, it remains aligned with the fundamental priorities of our Air Force:

- Continue to strengthen the nuclear enterprise;
- Partner with the joint and coalition team to win today's fight;
- Develop and care for our airmen and their families;
- Modernize our air, space, and cyberspace inventories, organizations, and training; and
- Recapture acquisition excellence.

In addition to being committed to providing and maintaining effective infrastructure, efficiently right-sized to support our missions and priorities, we are also committed to ensuring that we continue to care for our total force airmen and their families. This includes making good on our promise to provide first-class dormitories and housing with a focused determination to eliminate inadequate housing for all by 2017. Finally, we remain committed to ensuring the judicious and responsible use of taxpayer resources with every decision we make.

In so doing, we remain focused on a continual pursuit of efficiencies that allow us to provide our trademark delivery of effective air, space, and cyber power while ensuring maximum impact from every \$1 spent. Thank you for your continuing support of our Nation's Air Force.

Senator JOHNSON. Thank you, Mr. Secretary.

Secretary Yonkers, earlier this year Secretary Gates announced a DOD efficiencies initiative that included \$34 billion in savings from the Air Force through 2016. Will any of those savings be derived from the MILCON program?

Mr. YONKERS. Thank you for the question, Senator Johnson. No, sir, the MILCON program remains untouched with regards to the efficiencies. We did take efficiencies in the sustainment, restoration, and modernization. And through various mechanisms such as better business practices, using asset management principles and through contracting and other mechanisms, we are pretty convinced that we are going to be able to do a better job in our facility sustainment and thereby reducing the investment that we are making there. Over the Future Years Defense Program, that should save us about \$1.6 billion.

But I will also remark that, just like the Army, we are beefing up our restoration and modernization accounts. And you've seen this, I think there is about \$197 million additional for this fiscal year 2012 request to do exactly what the Army talked about doing, reducing our footprint with new construction and taking better care of the facilities that we already have in place.

Senator JOHNSON. Secretary Yonkers, thank you for bringing us up-to-date to the Northern Group housing plan.

Secretary Yonkers, the Air Force had a strong reservation about the joint-basing decision mandated by the BRAC 2005 at the beginning of the process. Where is the Air Force now on joint basing?

Mr. YONKERS. Sir, I think we are all in. We were concerned initially as to whether or not the efficiencies would be returned as projected. I think we are now beginning to see that the fruit of those endeavors is beginning to bear out. As you probably know, we went full operational capability on all of the joint bases last year. So it has been a pathway for us to get to where we are.

I have been out to almost every one of the joint bases now, including some of the Army lead as well as the Navy lead, and what I am seeing is a terrific amount of effort putting into making this work and work right. And I think over time that we will see this mature, we are going to start realizing those efficiencies that we expected when we started down this path some years ago.

Senator JOHNSON. As you well know, the Congress has been helpful in the past by providing funding for additional MILCON dollars for the Air Guard and Air Force Reserve in the form of earmarks and plus-ups to account top lines.

General Etter and General Jackson, with the ban on earmarks, does this change any of your funding priorities in the fiscal year 2012 request or future requests?

General ETTER. Senator, thank you for the question.

The Air National Guard participates in the enterprise-wide integrated Future Years Defense Program MILCON process. Within the process, the Air National Guard is treated as a full partner. We appreciate the past strong support of the subcommittee and all the members. As with any set of priorities, often there are more requirements than resources. Any future support would help satisfy Air National Guard requirements.

Senator JOHNSON. General Jackson.

General JACKSON. Mr. Chairman, thank you very much for the question.

We have not seen an impact in our priorities. We, once again, compete within the Air Force total MILCON process. We get our fair share. We have been able to go ahead and put into the fiscal year 2012 budget our top two priorities, so we think that we are competing fairly there. And we will have to continue to go ahead and look for more efficient means and better ways of racking and stacking our projects.

Senator JOHNSON. Senator Kirk.

Senator KIRK. Thank you, Mr. Chairman.

Secretary Yonkers and General Byers, are we going to see a full-tour norm proposal for Kunsan Air Base?

Mr. YONKERS. Sir, as you know, the Secretary of Defense's instruction was to look at this from an affordability point of view and we all know that this is going to be a big bill to pay. I would say right now, we have looked at several alternatives, particularly for our housing at Kunsan Air Base, South Korea. And the spread of dollars that we are seeing is somewhere between \$1.3 billion and \$5 billion, depending upon whether or not we can work a public-

private partnership, or whether we would go full up on a full MILCON.

So right now, it is a question of affordability for us, and we have not made any decisions about it.

Senator KIRK. Great. Obviously be a concern actually about both numbers.

On the Andersen general plan, it is kind of the chamber of commerce view, but I think it is page 40 did give us the beginnings of what a master plan would look like.

I think for us in the subcommittee, what would be most helpful is what the Office of the Secretary of Defense originally put out back in fiscal year 2009 for what Guam construction looks like. Would it be possible for you guys to update this so we could see what Andersen really looks like?

Mr. YONKERS. Sir, we will be happy to share the Air Force's master plan for Guam.

Senator KIRK. Does it exist, or is it just kind of this thing?

Mr. YONKERS. Well, I will let General Byers also talk to this, but we have, as you know, identified the MILCON requirement for the full build-out of Guam Strike on Guam over the course of several years. That is going to be about \$700 million. So we already identified the MILCON and other kinds of requirements that are going to need to construct at Guam to meet our combatant commander support responsibilities for that area of the Pacific.

General BYERS. Senator Kirk, we have details on all of our plans for the next 20 years, our base master plan for Andersen Air Force Base, and we can definitely sit down and give you the rest of those details that you require.

[The information was not available at press time.]

Senator KIRK. Good. And the schedule of when things hit?

General BYERS. When we plan on doing it is based on the budget, yes, sir.

Senator KIRK. Great.

General BYERS. If we have a beddown requirement and we know what year, we can do that.

Senator KIRK. We are seeing the growth of unmanned aerial vehicle systems, obviously very big and popular. In my other life, I am a huge customer of them.

At Sigonella, it is basically becoming an Air Force base now. Will we begin to see that takeover? I can't imagine there is much Navy happening there at all anymore, but with Unified Protector, it is kind of all your show.

Mr. YONKERS. Senator Kirk, I have not been to Sigonella, so I cannot really respond, but maybe some of my other panel cohorts could.

General BYERS. Senator Kirk, as you mentioned, there are a lot of requirements there that the Air Force has put in, especially for unmanned aerial systems and obviously in our fiscal year 2012 request, a satellite communications relay parts for our unmanned aerial systems.

There has not been a discussion with the Navy for any details of us taking over the base-operating support requirements for that particular installation at this point.

Senator KIRK. It would seem that that would make sense for you guys.

Last thing, and I raised this before with the Office of the Secretary of Defense side, but if I can go back to Guam for a second. It is a very complicated build, it is a very expensive build, and yet, it is completely worthless if it gets pummeled in the first hours of a conflict. And so, can we begin to think about what the MILCON requirements are to actually defend the island itself?

Mr. YONKERS. Senator, you're making a great point. And you know, we harden, right now, our facilities based on climatic conditions. There is, as you probably—

Senator KIRK. Unfortunately, the climate is going to be several hundreds of surface-to-surface missiles landing on the island.

Mr. YONKERS. Yes, sir. I think we need to re-look this. I think your point is so well taken.

There are a number of different options I think you are aware of with regards to dispersion and so forth, and those game plans haven't quite come together yet. And as they do, I think it will put more focus on the hardening and the defensive mechanisms that yet to be decided on the island and how we would defend against it.

Senator KIRK. Yes. I meant to ask this of the Army, but since I have you guys there, it would seem that before tens of billions get thrown in there, you would put a missile defense base in and other ways to make sure that you were invulnerable to bomber and fighter or cruise missile strike.

Mr. YONKERS. Sir, we are always happy to make commitments on behalf of the United States Army.

Senator KIRK. Thank you.

Thank you, Mr. Chairman.

Senator JOHNSON. Senator Nelson.

Senator NELSON. Thank you, Mr. Chairman, and thank you gentlemen for being here today.

Secretary Yonkers, for the past several years, the need for a new U.S. Strategic Command (USSTRATCOM) headquarters building has been apparently identified as a requirement and priority. The Department's budget seeks to fulfill that requirement by requesting authorization of \$564 million for a new headquarters.

As I understand the request, the full authorization is being requested this year and the appropriation will be in three increments with the first phase being \$150 million for fiscal year 2012.

Could you outline the Air Force's decision to build a new facility versus to renovate the current headquarters?

Mr. YONKERS. Senator Nelson, good to see you again, sir.

Senator NELSON. Good to see you.

Mr. YONKERS. You know this nuclear deterrent mission that is performed by USSTRATCOM is absolutely essential to our Nation. And this building that they are in right now, this building 500/515 is 57 years old. While the inside of this building and the outside structure are in pretty good shape, the infrastructure is in need of repair in any number of different ways. And we saw this back in December when the water pipe broke and flooded the basement of the building.

As you accurately portray, the request is for \$564 million spread across 3 years—\$150 million in fiscal year 2012; \$250 million in fiscal year 2013; and the remainder in fiscal year 2014 with an occupancy date on or about the latter part of fiscal year 2016 or the early part of fiscal year 2017.

We are looking at phasing this for a number of different reasons. For one reason, affordability and what we can put into the budget on any particular fiscal year. But also from a practical point of view, in terms of being able to execute the construction, given those amounts of dollars, we need to spread it over the 3 years.

Senator NELSON. Do you think the Air Force will be able to execute the \$150 million needed in fiscal year 2012? I guess you were assuming that we would pass the budget and authorize it. But are you anticipating that that will be executed as a result of fiscal year 2012?

Mr. YONKERS. I will give you my answer and then I will ask the Civil Engineer of the Air Force to embellish. But I don't think we are seeing any potential delays in being able to execute that \$150 million. I mean, it really does depend upon how long it takes to get the green light to proceed. But right now I think we are going to be able to execute it.

Senator NELSON. General Byers.

General BYERS. Senator Nelson, we will be 100-percent designed in June 2011 and ready to award as soon as the appropriation is available to us for fiscal year 2012.

And just to embellish a little bit more on Mr. Yonkers' statement earlier. One of the things we did when I was the Air Combat Command Civil Engineer, working with General Chilton at the time he was the USSTRATCOM commander—

Senator NELSON. Yes.

General BYERS [continuing]. Was to look at several options. We did a business case analysis and we also did an economic analysis, so two separate studies, to look at all the options: to renovate as-is, to build new, to do a modification of some new, and some renovate. And all those led to being the cheapest, being the fastest and the best impact to the mission was to build new, as we have brought into the fiscal year 2012 program.

Senator NELSON. Well, it is an obvious question, I guess I am just getting it for the record. What would be the impact of any reductions in the funding of this year? That sounds like a question for an engineer.

General BYERS. Yes, sir. The Army pretty well laid it out. Anything for fiscal year 2011, same issues. For fiscal year 2012, any delay will cause a delay in the mission and the impact at Offutt Air Force Base is not quite as bad as Alaska, but it is still pretty cold there, and it does have a short construction season. So if the appropriation is enacted on time, we will get the best use of the construction timing and it won't delay the construction season, nor delay the mission, if we can stay on track.

Senator NELSON. Well, you're right about Nebraska. We have two seasons. We have building season and football season. So.

General BYERS. Yes, sir.

Senator NELSON. To optimize the construction process over a 3-year period, stretching the funding over a 3-year period, that sim-

ply will be a good way to facilitate the construction. If you had all the dollars in a check right now, you couldn't put it all in the ground at the same time. Do you feel that that is an appropriate way to do this?

I think maybe I'd ask the engineer first and then Secretary Yonkers. General Byers.

General BYERS. Sir, thanks again for a great question.

You are spot on, we can't put \$564 million in the ground right away. In fiscal year 2012, we have a lot of other priorities in the Air Force for quality of life and mission. So we went to the Office of the Secretary of Defense to ask for incremental funding of this project, in other words, one project authorized and awarded, but spread the money out to line up with the construction period. And that is what we did. Working real close with the Army Corps of Engineers, how much we needed in the first year of fiscal year 2012, how much in fiscal year 2013, and how much we need to finish up in fiscal year 2014.

So it does a couple of things for us. It helps us get other MILCON dollars, into the right projects that we need. Second is, it ensures that we have enough money to continue the construction period without work stoppage; even if we are a little late in some fiscal years of appropriating the dollars, we should be okay.

Senator NELSON. Mr. Yonkers, do you have any thoughts you would share?

Mr. YONKERS. No, sir, I think General Byers answered the question.

Senator NELSON. Thank you.

Thank you, Mr. Chairman.

Senator JOHNSON. Senator Tester.

Senator TESTER. Yes, thank you, Mr. Chairman. And I want to thank everybody for being here today to testify.

I know that you are well aware of the mission conversion issues that we are working through in Montana with the Air National Guard unit, and if you are not, you can stop me right away.

I want to thank the Air Force and the Air National Guard for working with the Montana Air National Guard as we continue to find the right solution with our manpower concerns and our potential mission conversion from F-15s to C-27Js.

We have talked and written about this repeatedly over the past 2 years. It is a big change. But, in particular, I want to express my appreciation for the past observations about the value of an airspace east of Great Falls and what an important national asset that airspace is. My concern is that I don't want to see that airspace underutilized, and I think you share that same concern. There are very few places left in this country where we have the amount of room to operate overland. In fact, I don't know that there is any, 4.5 million acres with a lack of civilian over flights.

Can we get your commitment that you won't forget about that national asset as the Air Force considers future requirements?

Mr. YONKERS. Senator, I appreciate your comment. And as we talked when the civic group came in, for example, we recognized that is unused airspace, uncrowded airspace. It truly is a national asset.

As we think through these future basing decisions, these kinds of things will come into play and will be a prominent criteria for how we decide where we are going to beddown whatever weapon system it is that we're talking about.

Senator TESTER. Okay. Thank you for that.

As Air Force has concluded and indicated to us, the Air Force hopes to be transitioning the F-15s that are currently in Great Falls, Montana Air National Guard to the California Air National Guard in Fresno as part of a larger Air Force aircraft reconstruction plan very soon, contingent on the completion of an environmental impact statement (EIS).

Is that correct?

Mr. YONKERS. Yes, sir, that is correct.

Senator TESTER. What's the status of that EIS?

Mr. YONKERS. I believe the EIS is about to be wrapped up in the latter part of the summer, if I remember the dates correctly. And so far the information that we have is that there really are no show stoppers on the EIS.

Senator TESTER. And what do they take into consideration?

Mr. YONKERS. Any number of different things.

Senator TESTER. They can take into consideration noise on neighborhoods?

Mr. YONKERS. Noise, air quality, biological, cultural, et cetera.

Senator TESTER. Do they take into consideration things like effectiveness of those fighters at the Montana Air National Guard versus the effectiveness those fighters would be with the California Air National Guard in Fresno?

Mr. YONKERS. Typically environmental impact analyses do not. However, operational needs, requirements, and so forth do. And as you know, part of what you are talking about is a \$3 billion, almost a \$4 billion savings as we restructured the Combat Air Forces, and looked at F-16s and F-15s.

Senator TESTER. I am all about the savings, but I have got to say it for the record, even though this isn't in your guys' bailiwick. I am a little biased, but I don't mind basing it on fact. The Montana Air National Guard has met every doggone thing they have put up against them, and they have done it every time, and they have done it incredibly well. I don't know that Senator Feinstein could say the same thing about the Guard in Fresno. Just my observation. You can respond if you'd like.

Mr. YONKERS. Sir, you know, the Air National Guard in Montana is quality, so well noted.

Senator TESTER. Yes. Thank you. I appreciate that.

And as you can tell, that outfit has been a fighter unit forever, and I appreciate the C-27Js coming in, but that airspace, I talked about that 4.5 million acres, my farm is under that. I remember as a 6-year-old watching the F-102s fly over. And to take them out away from that airspace, as a dirt farmer, I don't think it makes a lot of sense, as a military person, I will have to defer. But I still think, when we look back on it, I am not sure it is the best thing for the country.

I just want to talk about electronic medical records just for a second. Secretaries Gates and Shinseki have agreed to create a joint common platform for the Department's electronic medical records,

early May deadline to come. I don't know if you guys have any say where that repository is going to be, do you?

Mr. YONKERS. You are catching me really cold. No, I don't.

Senator TESTER. Yes, that is okay. That is the best way to do it.

Mr. YONKERS. I don't know. This would be in the bailiwick of our surgeon general. And that is about all I can say about it.

Senator TESTER. Okay. Well, we have got a base up there called Malmstrom Air Force Base that happens to be on the east end of Great Falls, the Air Guard is on the west end. And it is an incredible piece of property and also another incredible asset that has great infrastructure built originally for the transport missions. And so if there is any way that you can help influence the final decision on where that database might go, it would be a nice place to put it.

Thanks, folks. Appreciate your service to this country.

Mr. YONKERS. Thank you, Senator.

Senator KIRK. Senator Tester, by the way, I think Senator Durbin and I would be very happy to take those C-27Js off you for Springfield. So.

Senator TESTER. If we could keep the F-15s, I would be inclined to say go ahead.

Senator JOHNSON. Obviously, Senator Tester, the assets you speak about obviously belong at Ellsworth Air Force Base.

Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Chairman. Secretary Yonkers, thank you for being here. General Byers, General Etter, and General Jackson, thank you for your service. We have the Minot Air Force Base and the Grand Forks Air Force Base in North Dakota, also the North Dakota Air National Guard, and all do just an outstanding job, as do all of you that wear the blue suit. We are really proud and really appreciative of what you do and all the men and women in our great Air Force. My wife grew up in the Air Force. Her family is career Air Force. And I tell you, the things that you do, not only here to protect our country, but all over the world, is absolutely amazing. So I thank you.

Secretary Yonkers, if I could, I would like to start with you. And you know, you may want to hand some of these questions off and you probably are best equipped to make that call.

The Minot Air Force Base is getting an additional squadron of B-52s. The 5th bomb wing is expanding with the 23rd bomb squadron. And it is going to be composed of the 23rd and 69th squadrons. So with the additional aircraft coming in, and as you know, the buses are big, it is going to require some facilities, some of which are in the 2011.

Now, we are hoping with the vote today we will get you under way there. I know you're anxious to get going, and we need to get you going. But with some runway issues, control tower. But then in the fiscal year 2012, there are both some facilities as far as aircraft maintenance facilities, munitions maintenance facilities, and then dormitories. That is a community that is growing significantly, it is now up more than 40,000. And so your young, outstanding airmen are coming in and not having a place to live right away, so the dormitories issue is very important, too.

Could you comment on the MILCON there for that? Actually, it is not a mission conversion, it is mission growth. And if you would comment on that, I would appreciate it.

Mr. YONKERS. Thank you, Senator. I would be happy to.

We have got a number of what we call inadequate dormitories spread across our Air Force. And our goal right now is to make those whole by the year 2017.

And General Byers can get into this in greater detail, but we have a dormitory master plan, and we are on track with the funding that we have spread out across the Future Years Defense Program, along with the dollars that we have in the construction program this year, to get to that point, both here and overseas as well.

As you have adequately and eloquently stated, our airmen really are the basis of our Air Force. And we are trying to do everything we possibly can to improve their quality of life and whether they are deployed or here in the States, and also for their families.

As far as some of the other MILCON is concerned, I know one of the things that is probably on your mind is the improvement of the runway. I think there is a \$2 million MILCON project slated, and again, General Byers can correct me, this year to expand the taxiway as a temporary runway with O&M dollars being invested in the next 2-3 years to repair and make that a full-up runway ready to do business for those B-52s.

Senator HOEVEN. That is right on, Mr. Secretary, and it is very important. It is, both your MILCON budget and then your O&M budget, as it is set up right now, is very important for the ability of our airmen and aircraft to deliver those missions. And so, the way you have it slotted right now between MILCON and O&M is good, and it is very important that you stick to it.

And so your comments there? At this point, it is looking like you are on track and you are going to be able to stay on track, correct?

Mr. YONKERS. Unless something extraordinary happens, sir, yes.

Senator HOEVEN. Okay. Well, it is a good plan, and I commend you for it. And I want to work hard to help you achieve it on behalf of our airmen and the mission.

Switching gears, Grand Forks Air Force Base is actually converting now to the Global Hawk mission. Again, that is going to be important. Again, your plans look good and we want to make sure that we are doing everything we can to help support you in that endeavor, and I hope you will let me know, but also there are fuel lines at that facility. And there is tremendous facilities there, but they need to be maintained. And so I would ask that you look at your O&M account, and with our cold weather and all, make sure that you are maintaining those underground fuel lines, both for the unmanned mission or the remotely piloted aircraft mission, but also potentially for the future tanker mission now that tanker mission is going forth.

That is a tremendous asset and a tremendous facility and I would ask that you check and get back to me that you are, through your O&M account, maintaining those fuel lines, for both now and for the future.

Mr. YONKERS. Well, I would remark that I agree 100 percent. Not only are fuel lines required for mission essential requirements, but if we don't take good care of them, they become environmental

hazards. And we are finding across our Air Force where we have spent millions of dollars not only in the fuel that we lost, but in cleaning up the fuel that is in the ground and the groundwater. So from my perspective, as far as underground infrastructure is concerned, that is one of the ones that peaks my interest the most.

Senator HOEVEN. Thank you.

Mr. Chairman, if I could beg your indulgence for just 1 minute?

The other thing at Grand Forks is, we are bringing in a tremendous amount of support in the area for remotely piloted aircrafts, including University of North Dakota School of Aviation and Aerospace. Customs and Border Protection is also flying the unmanned aerial vehicles and the remotely piloted aircrafts—specifically, it is the Predator in their case. Our Guard flies the Predator now, one of the first Guard units to fly the Predator, they will also fly the joint cargo aircraft. They are flying the Predator right now along with the C-21.

But all of these things go to—and we are getting a tremendous influx now of industry that is involved in developing, you know, the whole unmanned aircraft system mission. And it is very important that we continue to develop that here at home because we have got to maintain your global leadership in unmanned aerial systems. You are the leader. I think this is incredibly important for the future of the country. And so I would ask that you do focus attention on Grand Forks Air Force Base and making sure that we have whatever we need to continue to make that mission the best possible mission.

We are dovetailing it now with being able to fly unmanned aircraft systems here in the United States with concurrent airspace, and that is what we're working toward. So we are trying to make sure that that is an asset and an opportunity for Air Force.

And so, again, just any thoughts that you might have on how we can work on building that mission the right way for the future of unmanned aircraft system in this country and for Air Force.

Mr. YONKERS. Well, as you know, Senator, it is a critical mission for us, and it is a growing mission. Eventually, we will get to 65 combat air patrols. A good lot of that will be with the Air National Guard. We have a number of different locations that we are yet to be looking at with regards to where we will beddown some of these Predators or Reapers or even some of the Global Hawks, so it is a work in progress, but a good lot of that will end up with the Air National Guard at a number of different locations.

I think it is fair to say that we are engaged strongly, not only with Department of Homeland Security's Customs and Border Protection in particular, but with the Federal Aviation Administration—

Senator HOEVEN. Right.

Mr. YONKERS [continuing]. On how we are going to collectively figure out how to go about recognizing airspace for unmanned aerial vehicles or for remotely piloted aircraft. Those discussions are yet to be finalized, but we are pushing hard on resolving those kinds of issues.

Senator HOEVEN. It is an incredible opportunity, and I really am pleased to see that you are very tuned into it. And obviously, you are and I thank you for that.

Senator JOHNSON. I would like to thank all of our witnesses for appearing before this subcommittee today. Thanks for your service to our Nation. We look forward to working with you this year.

ADDITIONAL COMMITTEE QUESTIONS

For the information of members, questions for the record should be submitted by the close of business on April 22.

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

QUESTIONS SUBMITTED TO HON. TERRY A. YONKERS

QUESTIONS SUBMITTED BY SENATOR TIM JOHNSON

B-1 BOMBERS

Question. Secretary Yonkers, the Air Force briefed my staff yesterday on the Department's plan to consolidate the B-1 fleet. Specifically, Ellsworth Air Force Base (Ellsworth AFB) will lose two aircraft as part of the consolidation plan.

What impact will this have on future personnel levels and operations at Ellsworth AFB?

Answer. As a result of Ellsworth AFB, South Dakota losing two B-1s as part of the fiscal year 2012 President's budget request, we project a fiscal year 2012 manpower reduction of 160 authorizations (12 officer, 148 enlisted). Local B-1 operations are expected to decrease commensurate with the aircraft and manpower reductions.

Question. It was estimated that this plan would save \$357 million in the out years. Some of this savings, about \$125 million, will be used to modernize the remaining B-1 fleet.

Where will the remaining \$231.9 million in savings be invested? Does the Air Force have specific programs identified that will be the recipient of these savings?

Answer. The retirement of six B-1s will provide a total savings of \$61.9 million in fiscal year 2012 and \$357.3 million over the Future Years Defense Plan. Of these savings, the Air Force is reinvesting \$32.9 million in fiscal year 2012 and \$125.4 million over the Future Years Defense Plan, into critical B-1 sustainment and modernization programs to ensure the health of the remaining fleet. These programs include procurement and installation of vertical situation display upgrade and central integrated test system sustainment efforts, fully integrated data link capability upgrade, and procurement of critical initial spares for these modifications.

The remaining \$231.9 million enabled the Air Force to make additional investments in other Air Force and Department of Defense (DOD) priorities to include the future long-range penetrating bomber and programs that support activities such as continuing to strengthen the nuclear enterprise and building partnerships capacity.

AIR FORCE FINANCIAL SERVICES CENTER

Question. Secretary Yonkers, the Air Force has also decided to disperse current military pay operations of the Air Force Financial Services Center (AFFSC) out to the installations and eliminate military positions in South Dakota. It is my understanding that the Air Force consolidated these functions in 2007 as an efficiencies/cost savings measure. Now, more than 4 years later, the Air Force is reversing that decision claiming that this action will increase efficiency and improve customer service. I worry that this gives the Air Force a credibility problem.

Secretary Yonkers, I know this is outside of your expertise, but can you tell me how the Air Force hopes to avoid the mistakes of the past by redistributing personnel out to the field?

Answer. Military pay operations was never intended to permanently reside at the AFFSC in South Dakota. The manual process was to be subsumed by DOD's automated Defense Integrated Military Human Resources System (DIMHRS). DIMHRS was supposed to merge a military member's personnel record and pay record into one, with the result that a personnel transaction would automatically update the associated pay information. This would have eliminated the need for finance personnel to do a manual pay transaction. However, DIMHRS was canceled and the Air Force is now developing its own system, the Air Force Integrated Personnel and Pay System (AF-IPPS). AF-IPPS will be designed to integrate personnel and pay records. Over the past couple of years we've discovered that doing manual military

pay transactions at the AFFSC slows processing time and decreases levels of customer service by adding a middleman.

Question. How are we going to get efficient by dispersing people back out to the field, when it was determined over 4 years ago that consolidating into one location was key to reducing personnel cost and gaining efficiencies?

Answer. Since DIMHRS was canceled and we are still doing manual military pay transactions, it makes sense to move back to the base level until AF-IPPS deployment. Personnel transactions are still done at the base level, and often drive a pay transaction. Having both at the base level allows for faster resolution of issues, quicker processing times by eliminating the middleman (the AFFSC), and face-to-face customer service.

NORTHERN GROUP HOUSING PRIVATIZATION

Question. In December, the Air Force issued a notice to proceed with the long delayed the Northern Group Housing plan, which includes Ellsworth.

What is the status of this plan?

Answer. The Northern Group Housing Privatization Project (Minot Air Force Base, North Dakota; Grand Forks Air Force Base, North Dakota; Cavalier Air Force Station, North Dakota; Ellsworth Air Force Base, South Dakota; Mountain Home Air Force Base, Idaho; and Cannon Air Force Base, New Mexico) remains on track for a project closing in January 2012. Proposals were received on April 5, 2011. Oral presentations from the offerors were presented on May 2–6, 2011. The selection of the highest ranked offeror is scheduled for July 2011 and following congressional notification of this selection the Air Force will enter into a period of exclusive negotiations with the highest ranked offeror.

QUESTIONS SUBMITTED BY SENATOR MARK L. PRYOR

LITTLE ROCK MISSION AND RESTRUCTURING

Question. An important Air Force installation in my State is the Little Rock Air Force Base (LRAFB). The base is the home of the C-130 center of excellence. The C-130 mission at the base is undergoing some restructuring with the Reserve training unit coming under the Guard unit.

The restructuring of the C-130 training unit involves a Reserve unit coming under the command of a Guard wing and this is taking place on an Active Duty base.

Can you give me your impression regarding how this mission and the restructuring are going at LRAFB?

Answer. The transition of legacy C-130 training from the Active component to the Reserve component is in progress and on schedule; but, we face some manpower and aircraft availability challenges. This is the first time a C-130 Air National Guard unit has associated with an Air Force Reserve unit. The Air Staff, Air Force Reserve Command, Air National Guard, and Air Education and Training Command will continue to work through these and other issues as they arise to ensure mission success of this training partnership.

Question. An important Air Force installation in my State is the LRAFB. The base is the home of the C-130 center of excellence. The C-130 mission at the base is undergoing some restructuring with the Reserve training unit coming under the Guard unit.

Can you describe the unique role that LRAFB plays in training our C-130 pilots and navigators?

Answer. As you have stated, LRAFB, Arkansas hosts the C-130 center of excellence and provides C-130 qualification training required for the Air Force, Navy, Marines Corp, Coast Guard, and our international partners. This includes all variants of the C-130 and all crew positions (pilots, navigators, flight engineers, and loadmasters).

Question. An important Air Force installation in my State is the LRAFB. The base is the home of the C-130 center of excellence. The C-130 mission at the base is undergoing some restructuring with the Reserve training unit coming under the Guard unit.

I think it is important that all of our C-130 pilots receive the same high-quality training. It's my understanding that no one does C-130 training better than the LRAFB. I mention this because I want to focus on efficiency both for the Air Force and for the C-130 students. LRAFB has all of the facilities (academics, simulators, and aircraft) in one location without any disruption to the flow of training.

Do you all agree that C-130 training should be conducted by our military experts at the C-130 center of excellence?

Answer. The Air Force performs a variety of C-130 training at multiple locations, but LRAFB, Arkansas is currently our primary C-130 qualification training location and the majority of C-130 training will occur at LRAFB for the foreseeable future.

QUESTION SUBMITTED BY SENATOR JON TESTER

HOUSING PRIVATIZATION AT MALMSTROM AIR FORCE BASE

Question. On January 12 of this year, I received a letter from the Air Force announcing their intent to award a combined housing privatization project to the Western Group bases, to include Beale Air Force Base, California; F.E. Warren Air Force Base, Wyoming; Whiteman Air Force Base, Missouri; and Malmstrom Air Force Base, Montana. In February, Balfour Beatty Communities, LLC, was awarded that contract, estimated at \$330 million in development costs, slated to provide new and renovated housing for a total of 3,264 military families at the four bases combined. According to the DOD, this process represents a significant cost-savings to the Government. I applaud these measures.

There are real concerns though as to how this private firm will utilize local subcontractors through a fair and competitive bidding process. Many of our small local military communities, like Great Falls, have greatly benefited in the past with MILCON projects. The rapport our small businesses have established within these military communities has provided top-notch workmanship on military bases through a fair and proven contract-bidding method.

Many of the details with this privatized process are not yet transparent.

Will contract bidding continue as it has in the past or will Balfour Beatty bring many of the subcontractors with them, thus hurting the local businesses and in turn the local economy? Please elaborate on the details?

Answer. The Air Force encourages offerors to promote small business participation on their project teams. Companies that have been selected to enter into exclusive negotiations with the Air Force for housing privatization projects usually host industry forums at the bases to educate small businesses about project details and hire local companies. This is an efficient and cost-effective way for project owners to utilize local small businesses on their project teams. In our previous privatization efforts the majority of the work has been done by local businesses.

Subsequent to the January notification you received, a protest of the Air Force's selection of Balfour Beatty Communities, LLC as the highest rated offeror (HRO) for the Western Group housing privatization project was filed with the Government Accountability Office. As a result of that protest the Air Force is currently taking corrective action to include re-evaluating proposals and making a new selection of the HRO for the Western Group project. When an HRO is selected we will encourage them to conduct industry forums and use small businesses, particularly in the Great Falls area.

QUESTION SUBMITTED TO GENERAL TIMOTHY BYERS

QUESTION SUBMITTED BY SENATOR TIM JOHNSON

MQ-9 BEDDOWN

Question. General Byers, what is the status of the MQ-9 beddown at Ellsworth Air Force Base?

Answer. The beddown is on track. The environmental impact analysis process concluded in June 2010 with a categorical exclusion. The first ground control station will arrive in March 2012. The first combat air patrol to be controlled from Ellsworth Air Force Base, South Dakota is scheduled for May 1, 2012.

QUESTION SUBMITTED TO GENERAL WILLIAM ETTER

QUESTION SUBMITTED BY SENATOR TIM JOHNSON

LACK OF EARMARKS/PLUS-UPS

Question. General Etter and General Jackson, I will ask you the same question I asked the Army Guard and Reserve about earmarks.

With the increased dependence on the Air National Guard (ANG) for mission support, and the backlog of military construction (MILCON) requirements for ANG facilities, can the ANG realistically meet its urgent MILCON requirements without help from the Congress through earmarks? What impact will the current ban on earmarks have on the ANG MILCON program?

Answer. ANG MILCON projects in the fiscal year 2012 President's budget request competed along with all other Air Force and Air Force Reserve command projects in the Air Force's corporate process, and they were judged among the Air Force's highest MILCON priorities based on contributions to satisfying mission requirements at the appropriate timing/schedule.

The ANG enjoyed generous additional MILCON funding from the Congress in years past and appreciates the support to help satisfy ANG and State mission requirements. The majority of former ANG congressional add projects funded recapitalization of existing facilities; without this funding stream, the ANG will need to carefully manage available assets and apportion the sustainment, restoration, and modernization, and unspecified minor MILCON funds available to support existing facilities as long as possible.

The Congress has pledged to curtail earmarks and the associated acceleration of future MILCON requirements. In an environment of fiscal austerity, the ANG will continue to assess mission requirements and MILCON projects needed to satisfy the requirements, and advocate in the Air Force corporate process alongside all other Air Force missions, to achieve funding for the highest priority requirements across the Active, Guard, and Reserve mission sets.

QUESTION SUBMITTED TO GENERAL JAMES JACKSON

QUESTION SUBMITTED BY SENATOR TIM JOHNSON

LACK OF EARMARKS/PLUS-UPS

Question. General Etter and General Jackson, I will ask you the same question I asked the Army Guard and Reserve about earmarks.

General Jackson, what impact will the earmark ban have on the Air Force Reserve's ability to meet its military construction (MILCON) requirements?

Answer. The Air Force Reserve participates in the enterprise-wide integrated Air Force MILCON process. The Air Force works hard to ensure the Air Reserve components receive their fair share of funding during the Air Force corporate review process, and is treated as a full partner.

The Air Force Reserve's plant replacement value is equal to 4 percent of the total plant replacement value for all three components of the Air Force. In fiscal year 2012 the Air Force Reserve received 4 percent of the MILCON funds available. However, with a backlog of more than \$125 billion in validated MILCON projects, the Air Force Reserve cannot meet the Department of Defense benchmark infrastructure guidelines.

SUBCOMMITTEE RECESS

Senator JOHNSON. This hearing is concluded.

[Whereupon, at 3:48 p.m., Thursday, April 14, the subcommittee was recessed, to reconvene subject to the call of the Chair.]