

Chairman Dianne Feinstein
Opening Statement
Chairman Dianne Feinstein
Department of Energy Budget Hearing
National Nuclear Security Administration Fiscal Year 2015 Budget Request
April 30, 2014

Good afternoon ladies and gentlemen and welcome to the Energy and Water Subcommittee's hearing on the National Nuclear Security Administration's fiscal year 2015 budget request.

NNSA has requested \$11.658 billion for fiscal year 2015—an increase of \$451 million or 4% from fiscal year 2014 levels.

If the budget request were enacted, NNSA would make up 42% of the Department of Energy's budget in fiscal year 2015—the highest percentage in the last 5 years.

Nonproliferation

Before addressing specific funding requests, I would like to quickly highlight two major nonproliferation accomplishments.

The first is the successful completion of what is called Megatons to Megawatts. Over its 20 year life, the Russians dismantled about 20,000 nuclear warheads and converted their high-enriched uranium cores into fuel.

On November 14, 2013, the final shipment of civilian nuclear reactor fuel made from Soviet atomic bombs left Russia for the U.S. and the ship arrived in Baltimore on December 10.

The program supplied 50% of the fuel for U.S. nuclear reactors and accounted for 10 percent of all the electricity generated in the United States.

The cost to the U.S. over those 20 years was only \$280 million.

The second major accomplishment was the high amount of dangerous nuclear materials removed from around the world.

The nonproliferation program removed 2,990 kilograms of highly enriched uranium and plutonium in four years, exceeding its goal by 759 kilograms—enough for another 30 nuclear weapons.

Even more importantly, another 12 countries—for a total of 26 nations—were completely cleaned out of highly enriched uranium over the last four years, which means terrorists can no longer find the raw materials for nuclear devices in those countries.

Two of those countries were Libya and Ukraine. The nonproliferation program was able to remove material in Libya before the fall of Qaddafi and from Ukraine before the current turmoil.

Unfortunately, rather than building on that momentum and taking advantage of commitments made at the Nuclear Security Summits, the NNSA budget request cuts nonproliferation by \$400 million, or 20%.

The hardest hit program would be the Global Threat Reduction Initiative, which has removed dangerous material from all over the world. I can't think of a nuclear security program with a better return on investment.

It cost only \$320 million to clean out 12 countries—that's half the cost of funding the B61 life extension program for just one year.

Too many threats remain to cut these funds so sharply. Significant stockpiles of highly enriched uranium exist in too many countries, and global inventories of plutonium are steadily rising.

More than 100 thefts involving nuclear and radioactive material are reported every year to the International Atomic Energy Agency.

Al-Qaeda and other terrorist groups are still actively seeking to acquire weapons-grade material. We must remain vigilant.

Nuclear Weapons Program

In contrast, the biggest increase to NNSA's budget is for nuclear weapons activities. The budget request shows an increase of \$534 million or 7%.

At our last hearing 3 weeks ago, Secretary Moniz told me that national security funding was constrained and he had to make hard choices. And yet, NNSA was able to find an additional \$534 million for nuclear weapons, and an additional \$282 million for naval reactors.

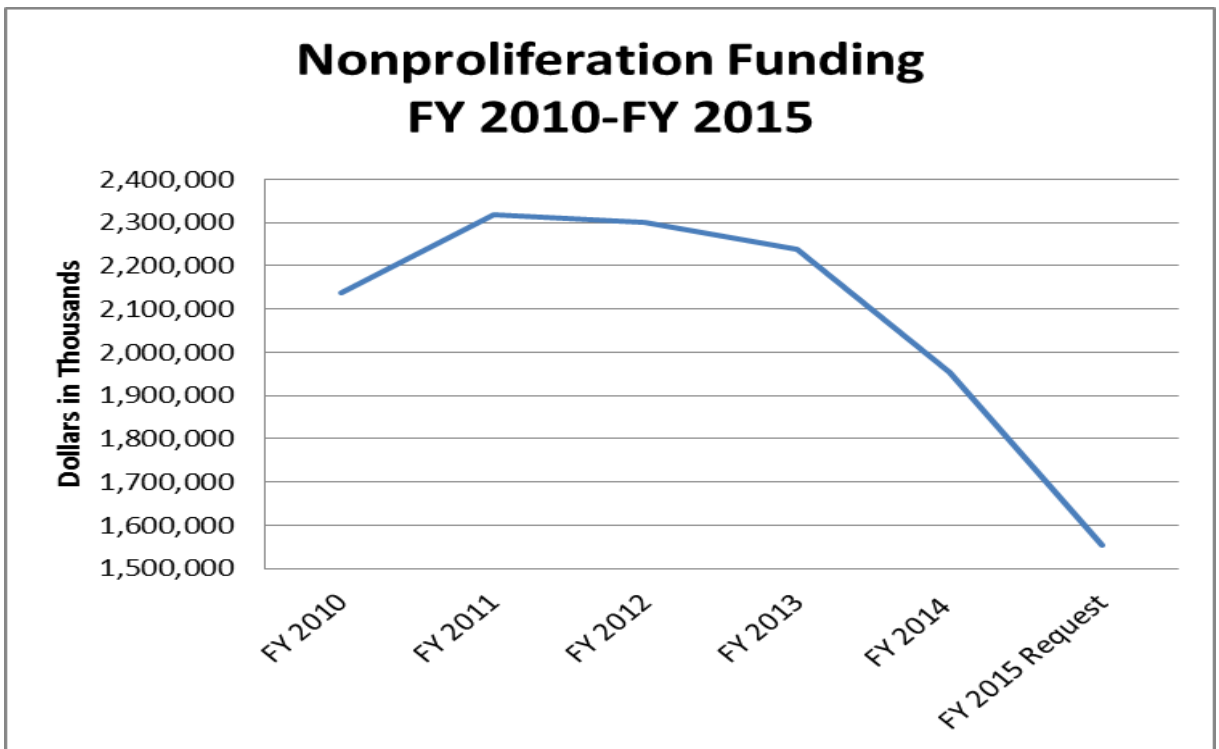
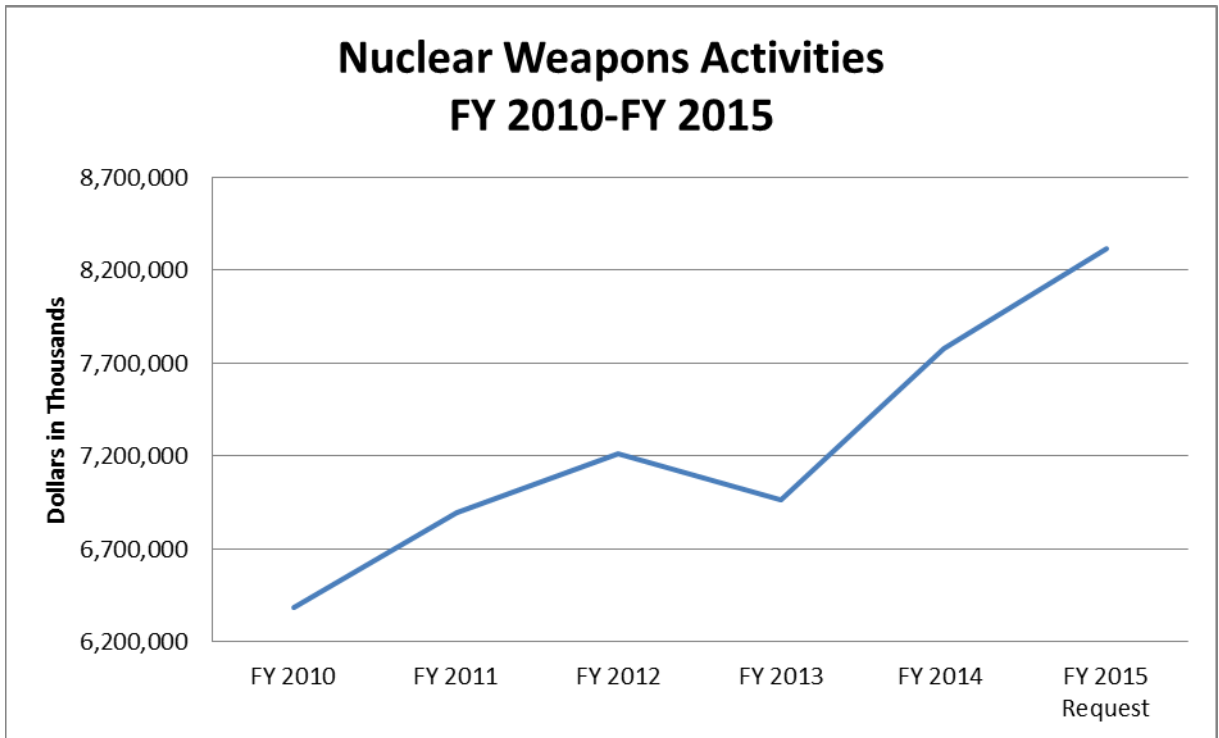
Candidly, I don't see hard choices being made in this budget request.

I would add that the increase to weapons and cuts to nonproliferation are inconsistent with the administration's stated priorities.

This budget would cut programs that reduce the threat of nuclear terrorism while significantly increasing funding for nuclear weapons, contrary to the stated goal of reducing our reliance on nuclear weapons.

For the last 2 years, I have voiced concerns that modernizing the nuclear weapons stockpile should not come at the expense of nonproliferation activities. This year is an egregious example of that happening.

These two graphs clearly show that the nonproliferation program has become the payer for the nuclear weapons program.



As you can see, if the fiscal year 2015 budget request were enacted, the nuclear weapons budget would have increased by \$1.9 billion, or 30%, since fiscal year 2010. Fiscal year 2015 nuclear weapons funding would be \$8.3 billion.

At the same time, the nonproliferation budget would see a decrease of \$764 million, or 34%. Funding would hit a new low of \$1.5 billion.

I hope you will provide an explanation today of the budget tradeoffs you made and why the trend in cutting nonproliferation funding to pay for weapons activities does not concern you.

Witness Introduction

Joining us today to explore these important national security issues is Lieutenant General Frank Klotz, the newly confirmed NNSA Administrator.

Congratulations on your confirmation. I look forward to working with you to address governance and project management problems at NNSA.

Also at the table to answer questions but not offer testimony:

Dr. Donald Cook, Deputy Administrator for Defense Programs,

Ms. Anne Harrington, Deputy Administrator for Defense Nuclear Nonproliferation, and

Admiral John Richardson, Deputy Administrator for the Office of Naval Reactors.

Thank you for taking time out of your schedules to be here today.