

DUNCAN HUNTER
52D DISTRICT, CALIFORNIA

COMMITTEE ON NATIONAL SECURITY

CHAIRMAN
SUBCOMMITTEE ON
MILITARY PROCUREMENT

SUBCOMMITTEE ON
MILITARY READINESS



U.S. House of Representatives
Washington, DC 20515-0552

2265 RAYBURN BUILDING
WASHINGTON, DC 20515-0552
(202) 225-5672
FAX: (202) 225-0235

366 SOUTH PIERCE STREET
EL CAJON, CA 92020
(619) 579-3001

1101 AIRPORT ROAD, SUITE G
IMPERIAL, CA 92251
(760) 353-5420

FOR IMMEDIATE RELEASE
September 21, 2000

CONTACT: Maureen Cragin
Ryan Vaart
(202) 225-2539

**STATEMENT OF THE HONORABLE DUNCAN HUNTER
CHAIRMAN, SUBCOMMITTEE ON MILITARY PROCUREMENT**

Status of Military Procurement Requirements and Funding Hearing

The hearing will come to order.

Today, the Military Procurement Subcommittee will receive testimony from Congressional Budget Office and Office of the Secretary Defense budget experts, and from the top Army, Navy, Air Force, and Marine Corps requirements and program officers about the Defense Department's military procurement requirements, funding, and readiness impacts.

In 1995, General John Shalikasvili, then Chairman of the Joint Chiefs of Staff, testified before Congress that military procurement budgets should be \$60 billion dollars per year by fiscal year 1998 in order to maintain the modernization requirements necessary to support the nation's two major theater war strategy. However, it wasn't until the fiscal year 2001 defense budget request that the \$60 billion goal was realized. This total was somewhat artificial, however, in that it included \$1 billion for chemical agents and munitions destruction in the Army procurement account, the majority of which was for operations and maintenance and research and development for chemical munitions destruction. Although, General Shalikasvili stated that a \$60 billion dollar procurement budget was achievable by fiscal year 98, actual DOD procurement budgets for fiscal years 98, 99, and 00 were \$45 billion, \$49 billion, and \$53 billion dollars respectively. These lower procurement budgets have resulted in unprecedented ages of military equipment, declining mission capable rates for front-line military aircraft, high cannibalization rates of spare parts to keep military weapon systems operating, and devastating levels of frustration for our soldiers, sailors, airmen and Marines who operate and maintain this equipment.

In April of this year, the Naval Inspector General, completed an assessment of Naval Aviation readiness which concluded that financial accounts for spare parts, training and logistics are so tight that "acceptable levels of risk have been exceeded"...and that Naval Aviation is a "system that is gradually, continuously winding down". Lack of Army modernization and spare parts funding has resulted in *only one*, of its four primary helicopter systems, meeting mission capable goals from June 1998 to July 2000. Seventy-five percent of current Army systems exceed half of their expected service life. Air Force aircraft are at unprecedented ages

and require more manpower and resources to keep them operating. We will hear today that insufficient procurement and operations and maintenance funding has resulted in a 23 percent decline in the Air Force's combat readiness since 1996. The first-to-fight Air Combat Command's active duty combat units led the Air Force's decline in readiness with a serious 42 percent decline over this period. The Marine Corps will tell us that it has reached a point of virtual block obsolescence for much of its ground and aviation equipment. The majority of the Marine Corps aircraft have *already* exceeded their service life. As a result, the Marine Corps' fully mission capable rate has declined 10 percent in the last five years but maintenance man-hours to service this aging equipment have risen 34 percent over this same period. Across the board, insufficient modernization funding during the past eight years has left our ability to decisively fight and win on tomorrow's battlefield in a serious decline, and as the Naval Inspector General said, our shortcomings "translate down to debilitating levels of frustration and morale-crushing drudgery at the operational unit level".

In February of this year, former Defense Secretary James Schlesinger warned before the full House Armed Services Committee that, "In order to replace the equipment of the QDR-designated force, we will have to spend approximately \$100 billion a year". At that same hearing, former Secretary of Defense William Perry stated that military procurement should be between \$70 and \$80 billion in the fiscal year 2001 budget. In March of this year, then Deputy Secretary of Defense John Hamre testified before the Senate Appropriation Subcommittee on Defense that "we're still not really making up for the hole that we dug for ourselves in the '90s," and that the procurement budget should be "\$10 to \$15 billion more a year in order to start getting out of that hole". Last week, the CBO completed a study for the Senate Budget Committee, which again concluded, similar to its February 1999 study, that in order to sustain and modernize the force for today's national security requirements, a total of \$90 billion dollars annually would be required, or an additional \$37 billion beyond the \$53 billion appropriated in the fiscal year 2000 procurement accounts.

Of note, the Office of the Secretary of Defense projects that procurement budgets from fiscal years 2002 to 2005 will be \$63.0 billion in FY 02, \$66.7 billion in FY 03, \$67.7 billion in FY 04, and \$70.9 billion in FY 05. These amounts are well short of the \$90 billion dollars per year that CBO will tell us today is needed to modernize and sustain our current force structure. Unless modernization budgets increase, we will continue our decline in force structure and readiness.

In a separate but related modernization matter that affects readiness, I would like to also review today military requirements for electronic warfare programs. The importance of these critical technologies were highlighted in the spring of 1999 over Kosovo during Operation Allied Force when we learned that even our most sophisticated stealth aircraft required electronic jamming and support to penetrate a modern integrated air defense system. Accordingly, since that time, Members of this committee and the House of Representatives formed an Electronic Warfare Caucus to focus on the lack of resources applied to electronic warfare systems and requirements. This new caucus has identified the growing pressures on DoD's only high demand, low-density tactical electronic warfare assets such as the Navy and Marine Corps EA-6B Prowler jamming aircraft. The Caucus has also highlighted delays in the joint-service Integrated Defensive Electronic Countermeasures program, and the inadequately resourced Advance Threat Infrared Countermeasures and Suite of Infrared Countermeasures. Delays in fielding these systems are placing our young fighting men and women in increasingly vulnerable situations, especially when many of our peacekeeping missions have the potential to rapidly change into combat operations. I commend the Members of this caucus for their efforts to identify these critical technologies, which are fundamental to today's military operations.

###