



**HOUSE ARMED SERVICES SUBCOMMITTEE ON READINESS
JOEL HEFLEY, COLORADO – CHAIRMAN**

PRESS RELEASE

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Chairman Hefley Opening Statement

*Readiness Subcommittee Markup up H.R. 5122, the National Defense Authorization Act
for Fiscal Year 2007*

Washington, DC --- Good afternoon. Welcome to the Readiness subcommittee markup of H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007. I'd like to start today by thanking the Ranking Member, the Honorable Solomon Ortiz, for his leadership in addressing the tough issues facing the subcommittee this year. He, along with all the members of the subcommittee, ensured that the recommendations included here represent a bipartisan effort we can all be proud to support.

Over the last four months, the subcommittee held public hearings and closed briefings on a wide-range of topics related to the budget request for the Operation & Maintenance and Military Construction accounts. The committee heard testimony related to historic military facilities, naval transformation, service contracting's impact on Operation & Maintenance accounts and the ability of the services to reset, reconstitute and recapitalize their equipment returning from Iraq and Afghanistan.

Our work this year leads us to an undeniable conclusion. The increased pressure on Operations & Maintenance funding is having a profound impact on the state of military readiness. As I've noted repeatedly in the past, the Fiscal Year 2007 budget request seeks approximately \$152 billion in Operations & Maintenance funds. This represents an increase of \$7.4 billion over spending levels authorized and appropriated in Fiscal Year 2006. When you consider that inflation and increases in the cost of fuel account for \$4 billion and \$3 billion respectively, it is worrisome that the Operations & Maintenance account request is flat.

This was also a particularly difficult year for the Military Construction (MILCON) account. The increasing price of fuel and construction materials is making all of our MILCON projects more expensive. I will note, however, that the subcommittee fully validated and funded the entire \$5.6 billion BRAC account. These funds will be critical to BRACs implementation.

What's particularly troubling about this year's budget request is the apparent decision by the Department of Defense to prioritize transformation efforts ahead of the services current readiness needs. The subcommittee has found underfunding in numerous operations, maintenance and training accounts that fails to support even basic peacetime requirements. Today's mark aggressively addresses those challenges and shortfalls and takes appropriate action to ensure that the services are fully funding ship operations, depot maintenance, flying hours, prepositioned stocks and other training requirements. The military is at a critical juncture as we enter the fifth year of the global war on terror; this committee must ensure that it is carefully balancing the need of the services to transform to be an effective force for tomorrow without funding that transformation "on the back" of today's force. This mark reflects a careful balancing of both those priorities.

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