

**Chairman Adam Smith - Opening Statement (As Prepared)**  
**Hearing on the Fiscal Year 2020 National Defense Authorization Budget**  
**Request for the Department of the Army and the Department of the Air Force**  
**April 2, 2019**

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*Video link to hearing and Chairman Smith's opening remarks*

*here: <https://armedservices.house.gov/2019/4/fy20-national-defense-authorization-budget-request-for-the-army-and-the-air-force>*

I want to welcome each of our witnesses today. We're joined by Secretary of the Army, Mark Esper, Chief of Staff of the Army, General Mark Milley, Secretary of the Air Force, Heather Wilson, and Chief of Staff of the Air Force, General David Goldfein. I should note the President's announced intention to nominate General Milley as the next Chairman of the Joint Chiefs of Staff. I wish him luck in that nomination process and, if confirmed, look forward to working with him in his future capacity. I also wish to thank Secretary Wilson for her service as I believe this may be her last appearance before the committee. For today's hearing I'm looking forward to our witness' insight into the services' modernization plans, the state of our readiness, and our military personnel.

As the committee reviews the President's Fiscal Year (FY) 2020 budget request to inform the development of the FY2020 National Defense Authorization Act (NDAA), we are taking a close look at modernization plans. The Army's approach to modernization in the budget request responds to the reorientation of the Department, as directed in the National Defense Strategy (NDS), toward peer and near-peer competition. To meet the existing and expected challenges associated with this reorientation the Army has established an ambitious modernization plan that cuts or reduces about \$2 billion in the FY2020 budget request from what the Army has determined are lower priority programs. That funding is shifted to accelerate higher priority development of new capabilities for long-range fires, a next generation combat vehicle, future helicopters, a tactical network, air and missile defense, and soldier lethality.

The Air Force on the other hand, appears to have reversed its message from last year in a critically important and surprising way. Last year, during our debate on the future of the Joint Surveillance Target Attack Radar System (JSTARS), the Air Force argued the service should not purchase equipment that is non-survivable against a modern integrated air defense system. Further, JSTARS didn't align with the new NDS. Yet this year, the Air Force budget proposes requirements to buy F-15EX, an advanced, but non-stealthy and therefore less survivable, 4th Generation aircraft. This shift is the result of the slower production of the 5th Generation, stealthy F-35 and faster than expected wear of our current F-15C fleet, which the Air Force has determined it might not have sufficient numbers to assure air superiority alongside F-22 aircraft.

I am also concerned about the concurrent programs in the Air Force on nuclear modernization. Both the new intercontinental ballistic missile, which a defense independent cost estimate places at \$100-150 billion in then-year dollars, and the new nuclear cruise missile, estimated to cost at least \$20 billion, are both being developed for delivery in 2030. These enormous, concurrent acquisition costs are problematic and will force significant trade-offs with much-needed conventional systems.

With regard to space launch capabilities, retaining and improving assured access to space remains an important national security priority. I am concerned that the Air Force's strategy does not maximize fair and open competition or provide a level-playing field for companies that may be able to compete in the coming years. I look forward to working with the Air Force to address these concerns. I also encourage the Air Force to pursue opportunities to leverage commercial and international partners' systems. This approach will not only lower costs but also increase resiliency for US systems and our deterrent capability in space.

For both services today, I'm interested to hear how they are managing risk with all their investments – to support and improve current weapon systems and maintain a sufficient industrial base, as well as look for those new technologies that could outpace and impose costs on our adversaries for years to come. How are the services being realistic about investments? The Department's senior leadership have spoken frequently about the state of the military's readiness, often using it as a reason to call for a timely appropriations bill or additional resources. However, as we review the budget request, I am concerned about whether the Department is appropriately managing risk as they make inevitable tradeoffs between modernization in support of long-term readiness and equipment maintenance, and training investments that support near-term readiness. With a national security budget request of \$750 billion, how is it the Department has not fully resourced key readiness accounts in support of activities such as depot maintenance? For example, the Air Force's budget request only supports 90% of the weapon system sustainment requirement and relies on items in the UPL just to get to 94%. This seems to fall short of the Department's message on prioritizing the restoration of readiness.

Further, as the Air Force continues to increase airmen, they are still struggling training pilots and retaining them. I am curious to know how the Air Force will increase to 386 squadrons since it is having trouble maintaining manning for the 312 squadrons it now possesses. It is also unclear how many support squadrons the Air Force will need to create in order to satisfy the 386 combat squadron goal. It is a math problem with a lot of variable impacting it, and right now it does not appear to add up.

I am also deeply concerned about the Army's sudden slow down on end strength growth that was requested over the past two years. It was required to meet demands and we were told repeatedly that the Army would meet the numbers and maintain the quality. The Army fell short in FY2018 and seems to have determined it will fall drastically short of the requested authorization for FY2019 by about 9,500. To put a finer point on it, money that should have gone to pay Soldiers is being squandered on an unnecessary border wall instead of readiness shortfalls within the Army or even the other services.

Providing for the quality of life and support of our soldiers, airmen, and their families is a top priority for this Committee. It is with that in mind that I must express considerable concern about the reports we have heard regarding the apparent lapse in oversight and management of privatized military family housing. I understand that your services conducted health and safety inspections of your entire privatized housing inventory in order to define the scope of the problem and are working to identify and remedy the factors that led housing conditions to fall short of what we are families deserve. Today, I expect that each of you can speak to what

specific actions you are taking to address these problems and to earn back the trust of military families.

Finally, Congress received the Department's proposal for a Space Force. This committee has worked diligently to increase the military's focus on space for years. That work led to the inclusion of a Space Corps provision in the FY2018 NDAA. I recognize that there are diverse views about a Space Force. That said, the proposal under consideration will require careful deliberation and debate. It contains many details that raise problematic issues in my view. The proposal would create a top-heavy bureaucracy and damage the rights of the Department's civilian employees to name a few. I believe we should look at other potential legislative options, either in or separate from the annual National Defense Authorization Act.

I look forward to receiving today's testimony and getting updates on all of these issues.