

HEARING TO RECEIVE TESTIMONY ON MILITARY CONSTRUCTION, ENVIRONMENTAL, AND BASE CLOSURE PROGRAMS IN THE REVIEW OF THE DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 2010

WEDNESDAY, JUNE 17, 2009

U.S. SENATE,
SUBCOMMITTEE ON READINESS AND
MANAGEMENT SUPPORT,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

The subcommittee met, pursuant to notice, at 3:07 p.m. in room SR-216, Russell Senate Office Building, Senator Evan Bayh (chairman of the subcommittee) presiding.

Committee members present: Senators Bayh, Udall, Inhofe, Chambliss, Thune, and Burr.

Committee staff members present: Leah C. Brewer, nominations and hearings clerk; and Jennifer L. Stoker, security clerk.

Majority staff members present: Terence K. Laughlin, professional staff member; and Russell L. Shaffer, counsel.

Minority staff members present: David M. Morriss, minority counsel; and Lucian L. Niemeyer, professional staff member.

Staff assistants present: Mary C. Holloway and Breon N. Wells.

Committee members' assistants present: Patrick Hayes, assistant to Senator Bayh; Jennifer Barrett, assistant to Senator Udall; Anthony J. Lazorski, assistant to Senator Inhofe; Clyde A. Taylor IV, assistant to Senator Chambliss; and Kevin Kane, assistant to Senator Burr.

OPENING STATEMENT OF SENATOR EVAN BAYH, CHAIRMAN

Senator BAYH. The hearing will please come to order.

I'd like to express my appreciation to our witnesses for joining us today, and the people in the audience for your time, and my ranking member, Senator Burr, for his attendance and interest in the subject matter today.

Today, the Subcommittee on Readiness and Management Support needs to review the military construction and environmental programs of the Department of Defense and the fiscal year 2010 budget request for those programs. Additionally, we will review and receive testimony in the Department's overseas contingency operations request for fiscal year 2010, which was provided by the President's regular budget request this year; and finally, on the Department's BRAC request for fiscal year 2010.

We welcome back Secretary Penn and Mr. Army.

Welcome back.

The Chair would note, with particular pride, that Mr. Penn originally hails from the State of Indiana, an obvious sign of intelligence, which we appreciate.

[Laughter.]

Senator BAYH. Not to suggest that the others don't possess a similar quality, but—

And we—the Deputy—and two new witnesses this year, also, Deputy Assistant Secretary Calcara, from the Army, and Kathleen Ferguson, from the Air Force. Thank you both for joining us.

Mr. Calcara, did I pronounce your name correctly?

Mr. CALCARA. Close enough, sir.

Senator BAYH. My last name is mispronounced regularly, so I hope I did well. How—what is the correct pronunciation?

Mr. CALCARA. "Cal-carra."

Senator BAYH. Calcara. Calcara. Thank you.

Thank you all for testifying on such short notice. Because of the late arrival of the President's budget request and our committee's pending markup schedule, we, unfortunately, didn't have a very large window of time to schedule the hearing, so I appreciate your willingness to accommodate the short timeframe.

We meet this afternoon to discuss DOD's military construction, housing, and environmental programs, as well as the implementation of the 2005 base closure round. We have many challenges to discuss here today.

This year, we have before us again one of the largest funding requests for military construction and base closure in memory. The fiscal year 2010 budget request for military construction, base closure, and family housing programs, totaling \$24.3 billion, is just slightly less than last year's record amount.

As our witnesses describe in their prepared statements, they are also responsible for billions of additional dollars requested for repair and maintenance, base operations, and environmental programs to keep those bases running.

This year is one of transition between two different administrations and perhaps two different philosophical approaches to force posture and stationing. It also appears that your services' MILCON budget requests have also deferred a number of decisions to the results of the Quadrennial Defense Review, more than will likely be decided by that review, I suspect.

I realize, for the Army in particular, you were handed some last-minute decisions and guidance from Secretary Gates, and have been scrambling a bit in order to put your program together. In some cases, you've had to accommodate changes to projects that have already been authorized and appropriated, and for which some contracts have already been awarded. The Army recently announced a reduction from 48 to 45 brigade combat teams, with the reduction to come from Fort Carson, in Colorado, Fort Stewart, in Georgia, and Fort Bliss, in Texas. Last year, Congress authorized and appropriated almost \$1.4 billion in fiscal year 2009 military construction funds in preparation for the activation of those BCTs, which may not be needed now for that purpose.

In addition, there is approximately \$600 million more in fiscal year 2010 military construction requests for barracks, health clinics, ranges, and schools associated with those three BCTs, which also may no longer be needed. We look forward to hearing your plans to accommodate those changes.

The Navy's military construction requests include more than \$650 million in projects to begin what will eventually be a \$4.0 billion military construction bill associated with the relocation of 8,000 marines from Okinawa to Guam. However, the environmental impact statement for the Guam facilities is not yet complete, and the Navy's Guam master plan has not been provided to Congress, as required.

In addition, the Commandant of the Marine Corps recently indicated in testimony before the full Armed Services Committee that he had serious concerns about the ability to train his marines in Guam and the Northern Marianas, was concerned with the Government of Japan's ability to provide an adequate replacement facility for Marine Corps aviation elements in Okinawa, and that relocation plans would be subject to review during the forthcoming QDR. I look forward to the Navy's testimony on these points. I would also note that the Navy request includes significant funding for facilities to grow the Marine Corps.

While the Air Force is significantly smaller—has a significantly smaller request than the other two services, there are a number of MILCON projects that are planned for the CENTCOM area of responsibility that appear, on the surface to be—well, this testimony has been described—supplied to me by the staff—“somewhat dubious.” So, Ms. Ferguson, I look forward to hearing from you about that.

These projects appear to have been developed on an ad hoc basis without having been secured—host-country agreements to protect our increasing investments. I look forward to discussing this issue during the hearing. I think that may involve some of the missile sites in the Czech Republic and elsewhere.

Finally, fiscal year 2010 represents the last significant investment in military construction in order to complete the BRAC 2005 round. I would like to know if there are any potential stumbling blocks to completing BRAC on schedule by September 2011.

As for the environmental programs, the funding request for fiscal year 2010 remains largely consistent with previous years, with the lower—with the exception of pollution prevention, which is significantly lower than that requested for 2008 and 2009.

As for the environmental—as for environmental restoration and remediation programs, the cleanup of unexploded ordnance, discarded military munitions and munition constituents, continues to be of high interest to the committee. The fiscal year 2007 National Defense Authorization Act set target dates for cleanup of these materials at active installations, formerly used defense sites, and BRAC sites. While progress is being made, current projections suggest that these dates may not be met. The Department must continue to press forward to address these important issues.

Lastly, encroachment on the installations, particularly on our training and testing ranges, continues to be of concern at many locations around the country. One program that has been—has seen

significant success in reducing encroachment while conserving areas around those installations is the Readiness and Environmental Protection Initiative, also known as REPI. The committee has encouraged greater use of this program in the past, and the program could be expanded even further in the future.

I will now turn to—I will note the presence of Senator Udall.

Thank you for coming, Senator Udall, and your interest in these issues.

And I will now turn to Senator Burr for any opening remarks that you may have, and then, Senator Udall, if there's anything you'd like to add following Senator Burr, the committee would be happy to—subcommittee would be happy to hear from you.

Senator Burr.

STATEMENT OF SENATOR RICHARD BURR

Senator BURR. Thank you, Mr. Chairman. I want to also thank you for calling this important hearing to review the budget request for installations and environmental programs for '10.

I also want to thank our witnesses for their dedicated public service. As I review their testimony and this budget request, I'm struck by the sheer magnitude of the range and difficulty of the issues. You deserve our gratitude and sincere appreciation for serving our Nation in this capacity.

I want to recognize Mr. Arny. It's my understanding this may be your last appearance before this committee in managing installations and environment for the Secretary of Defense. I want to thank you publicly for your public service to this country.

This is a unique budget year, in many ways, as we consider decisions and authorizations that will have far-reaching consequences. This budget request includes the first increment of construction totaling 378 million required to move 8,000 marines and their families from Okinawa to Guam. This construction, when completed in 2014, may cost U.S. taxpayers well over \$4 billion, with another \$3-billion loan to pay off over time. And this amount does not include plans by the Air Force to establish a strike capability on Guam, which will add another 500 million to the bill. The environmental impact statement to support the move is ongoing, but I know the Marine Corps has particular concerns with their ability to train in Guam. I look forward to hearing about plans to ensure that marines can train effectively once the move is completed.

This budget request includes a request to authorize 116 million for the Air Force to construct a new air base in the Omani desert. The total bill required to ensure our airmen can use the base will exceed 380 million.

We have a similar proposal to spend over 60 million in Qatar for the second phase of a four-phase program that will require another \$250 million to support over 6,200 U.S. military personnel at that Persian Gulf location.

Add to these requirements the money needed to build barracks and operational facilities for our soldiers and marines, added to the end strength of the Army and the Marine Corps, as well as the 1.4 billion in '10 alone for facilities in Afghanistan, you don't have a lot left over to do much else at all. My guess is that budgets are only going to get tighter in the years to come. But, I can only guess

that, since we don't have the benefit of a future year defense plan beyond 2010 to see how all these programs will be funded in the out years—excuse me, Mr. Chairman—I propose—I propose that this might—

Senator BAYH. I thought you were choking on all of the spending we were doing here.

[Laughter.]

Senator BURR. I think it's a culmination of healthcare finally getting to me.

[Laughter.]

Senator BURR. Never fear, the government's hear to take care of it.

[Laughter.]

Senator BURR. I propose that this might be a good year to take a critical look at some of these projects and to make some hard decisions about holding back on the spending until we have a better idea of where we're going with regard to the Quintennial—Quadrennial Defense Review. We must avoid, at all costs, authorizing a project that becomes the bridge to nowhere, which is a real risk if we don't know for sure if the funding to make these projects complete and usable will be in future budgets. The taxpayers expect us to make prudent decisions.

Turning to the environmental program, the services continue to face significant environmental challenges that could impact their ability to deploy and maintain readiness. I'm particularly interested in hearing from Mr. Penn about recent revelations regarding the contamination of drinking water at Camp Lejeune from 1950 to mid-1980s. Recent developments have raised more questions than answers from many of my constituents who were stationed there during these periods.

In May, the Agency for Toxic Substance Disease Registry removed from its Web site the ATSDR 1997 Public Health Assessment on the impact of Camp Lejeune water contamination. In describing its rationale, ATSDR said that it did not fully take into consideration the documented presence of benzene in the water. After 12 years, the Agency now says that they can't say for sure whether children or adults have been adversely impacted by exposures to volatile organic compounds in the water. ATSDR also says that it's conducting further studies to determine if past exposure can be linked to certain birth defects and childhood cancers, as well as other studies of illness.

This month, the Academy of Science has issued a report in response to a mandate from Congress. It also concluded that, while water systems at Camp Lejeune were contaminated, they cannot say for sure whether people at Camp Lejeune may have suffered adverse health outcomes as a result of their exposure.

Even more disturbing for former marines and other residents of Camp Lejeune, the report concludes that, given inherent limitations in the data, additional research is unlikely to provide a direct basis for drawing more definitive conclusions. In other words, limbo forever.

Again, these revelations have been leaving veterans and their families with more questions than answers. I'd like to know what the Department of the Navy and the Marine Corps plan to do next,

and how they intend to answer the concerns of former marines, their families, and former employees of Camp Lejeune.

Mr. Chairman, it's also come to my attention that Mr. Arny is a former Top Gun pilot, former Principal Deputy assistant Secretary of the Navy, shipbuilding logistics, former SASC professional staff member, serving on this committee from '81 to '84. He has also invited one of his two sons to attend this last public hearing that he's doing. The son attending the hearing, Commander Skip Arny, is a Top Gun pilot, flying F-18s. He just finished as the commanding officer of the Strike Fighter Weapons School at NAS Lemoore, California, and is getting ready for a tour as a defense attache in Poland. Following his dad's path, he's a 1990 graduate of the U.S. Naval Academy.

And his youngest son, Matt, is a lieutenant commander naval flight officer who recently returned from deployment to Iraq, Afghanistan, and Somalia, with the FA-103, onboard the USS Eisenhower, flying F-18s, as well, and is now attending the Naval War College in Newport, Rhode Island. He is also a Naval Academy graduate, 1993.

Wayne, if it doesn't embarrass, could I ask your son, Commander Skip Arny, to recognize himself?

Commander, thank you for your service.

Mr. ARNY. Thank you for that.

[Applause.]

Senator BURR. Thank you, Mr. Chairman.

Senator BAYH. Thank you, Senator Burr.

Senator Udall, any opening comments you'd like to make?

Senator UDALL. On that note, maybe Mr. Arny should start testifying right now.

[Laughter.]

Senator BAYH. It is a first for this subcommittee that testimony begins, to applause. That's a—

[Laughter.]

Senator BAYH. I'm sure it will end that way, too.

Mr. Arny, we'll begin with you. And welcome back to this committee, where you served with great distinction.

STATEMENT OF WAYNE ARNY, DEPUTY UNDER SECRETARY OF DEFENSE, INSTALLATIONS AND ENVIRONMENT

Mr. ARNY. Thank you, sir. Chairman Bayh, Senator Burr, Senator Udall, I'm honored to appear before you today to discuss our MILCON program for 2010.

And I thank you for acknowledging my son Skip. He—as you said, he recently finished Command and Fighter Weapons School of Lemoore, and we have pleasure of having him and his—our grandchildren in the area. His brother is in—as you said, just finished up the tour at the War College, and it's in training to command a squadron at—also at Lemoore. So, like it or not, my wife and I have spent a lot of time at Lemoore, and will continue to, as well as lots of time in Eastern Europe. Unfortunately, these two have never been stationed at the same base together for more than 3 months. So—

In the last 10 years, the Department has come a long way in improving the facilities and infrastructure in which our military and

civilization workforce and their families work and live. We could not have progressed as far as we have without the continuing support of Congress, and, in particular, this subcommittee.

Today, we manage over 500,000 facilities, worth over \$700 billion, located on approximately 29 million acres of land around the world. In comparison, about 10 years ago we had 115,000 more facilities. And the principal program that has helped us balance the infrastructure has been the BRAC authority. It's enabled us to close over 121 major installations and realign 79 major bases after five rounds. The 2005 decisions alone affected over 800 locations and included 24 major closures, 24 major realignments, and 765 lesser actions.

I'd also like to comment on the disposal process for these bases. We've been asked, as a Department, how we feel about pending legislation that would mandate no-cost EDCs or no-cost economic conveyances. We currently have a full range of conveyance mechanisms available to the services, and they already include no-cost EDCs. We are, and always have been, open to this conveyance method, and are more than willing to review such requests, based on the needs of the local communities. Indeed, my data indicates that, since 2002, the Army has granted 68 EDCs on—I mean, EDCs on 68 parcels for 32,000 acres. Now, of those, there were 23 parcels at no cost for 31,000 acres, and 45 parcels per cost at 1,000 acres on five bases. The Navy has done eight no-cost EDCs for 4,000 acres and have no cost conveyances, no for-cost conveyances. And the Air Force has had 19 no-cost EDCs covering just under 24,000 acres. But, to mandate no-cost EDCs would only advantage some locations, where potentially valuable property, where the taxpayers of the—with potentially valuable property, where the taxpayers of the rest of the Nation could perhaps benefit from participating in the profit from the development of that valuable property, especially the development of housing areas that don't bring permanent job growth, as is normally required of a no-cost EDC. Also, the services are required to plow back any funds they receive from BRAC disposals into BRAC purposes, and that has primarily been to accelerate the required environmental clean-up of former BRAC bases. A mandated no-cost EDC would essentially be giving a particular community, that normally wouldn't qualify for it, a windfall profit that would divert money from the taxpayers.

We will continue to evaluate the legislation we've been presented through the Department's legislative review process, but I wanted to give you this position, on the record.

We also believe it is not enough to—just to close bases and move functions, we also need to conduct our business more efficiently, as prudent caretakers of the taxpayers' resource. And I believe we are.

An excellent example of this is joint basing. As part of BRAC 2005, we are forming 12 new joint bases from 26 separate bases to consolidate installation and management functions under one component. Five of the joint bases, involving 11 installations, will reach full implementation in—October 1st of 2009; the remaining seven joint bases will reach full limitation—implementation in October 2010, well ahead of the BRAC statutory deadline of September 2011.

As for housing, a decade ago we were maintaining over 300,000 family housing units, two-thirds of which were deemed inadequate by the military departments who owned them. With your help and vision, we put housing privatization authorities in place, and the private sector responded by delivering modern, affordable housing, and, with appropriate oversight, we ensured the Federal Government's needs were met. With this year's request, over 98 percent of DOD's housing inventory in the United States will be funded for privatization.

With regard to barracks, the military departments are modernizing their facilities to increase the privacy and amenities in permanent-party bachelor housing. Using MILCON, much progress has been made, but there is still a need for almost \$15 billion to complete the permanent-party buyout.

Privatizing bachelor housing is one way to go, but it has unique challenges compared to family housing. We have seen recent innovative concepts, where the Army has added bachelor officer quarters and senior enlisted bachelor quarters to its existing family housing privatization projects. The Navy is mainly focusing its unaccompanied housing privatization efforts to bring shipboard junior enlisted sailors ashore. The first unaccompanied housing privatization pilot project was awarded in December 2006 in San Diego. The second was executed in December 2007 at Hampton Roads, in Virginia. And a third project is under consideration at the Jacksonville-Mayport area in Florida. Both of the awarded projects have demonstrated that, with this authority to pay junior enlisted members less than full housing ATARAs, we have had—we are on our way to a very successful enlisted privatization.

Both of the awarded projects have demonstrated that, with this authority to pay junior enlisted members less than full housing ATARAs, we have had—we're on our way to very successful enlisted privatization.

This year's budget signals yet another banner year for installations, with about \$23 billion in military construction and about 8 billion in facilities sustainment, restoration, and modernization.

At 23 billion, the military construction program is very robust, especially when I compare it to the \$8- to \$9- billion levels we were receiving 10 years ago. Similarly, our sustainment budget this year is also more robust, as compared to 10 years ago.

Although much remains to be done, we've made steady headway over the last decade, through two administrations, to improve the overall condition of our facilities inventory by using the facility sustainment model. It has given us a sound target by which to measure our sustainment budgets. As a consequence, we've been able to defend our requirements and increase our overall funding, in spite of significant competing demands.

Recapitalization has been more challenging. We've moved away from believing a single recap rate expressed in years applied across myriad category types could provide a funding level that was rational and defensible, because it didn't work right.

When I was with the Navy secretariat, I personally observed its inaccuracy as Hurricane Ivan hit Pensacola. The sudden infusion of restoration funds skewed the Navy's recap rate to a lower number than the targeted 67 years, but the condition of Navy facilities

across the inventory did not improve. Because of this and other factors, I've directed my staff to revisit the facilities condition indices that the Federal agencies are mandated to include in their real property.

My staff will work with the military departments and defense agencies to set up program guidelines for determining which facilities require priority for funding, reassessing how Q ratings are determined, and their frequency, and, most importantly, reestablishing how the Department uses master planning at the installation level and eventually in each of the overseas COCOM regions.

In closing, Mr. Chairman, I sincerely thank you for this opportunity to highlight the Department's management of installation assets to meet the ever-changing warfighting landscape. Our military must be flexible and responsive, and our installations must adapt, reconfigure, and be managed to maximize that flexibility and responsiveness. We believe we're working on the right issues, and, while we cannot fix them overnight, we appreciate your continued support, and we look forward to working with you and this subcommittee to provide quality installations that our military forces and their families need and deserve.

[The prepared statement of Mr. Army follows:]

Senator BAYH. Thank you very much, Mr. Army.
Secretary Penn?

**STATEMENT OF HON. B.J. PENN, ASSISTANT SECRETARY OF
THE NAVY, INSTALLATIONS AND ENVIRONMENT**

Mr. PENN. Thank you. Chairman Bayh, Senator Burr, Senator Udall, I'm privileged to come before you today to discuss the Department of the Navy's installation efforts.

Before I touch on a few highlights in the Department's overall facilities budget request, I'd like to take a moment to discuss the report released over this weekend related to past contaminated drinking water at Marine Corps Base Camp Lejeune, North Carolina.

It was the desire of this committee to evaluate the available scientific and medical evidence regarding association between the prenatal, child, and adult exposure to drinking water contamination with trichloroethylene and tetrachloroethylene that resulted in the fiscal year 2007 National Defense Authorization requirement for the Navy to enter into an agreement with the National Academy of Sciences to conduct a study.

The National Research Council, which operates under the auspices of the National Academy of Science, concluded that the available scientific information does not provide sufficient basis for determining whether the population at Camp Lejeune has suffered adverse health effects as a result of exposure to contamination. It further concluded that research is unlikely to provide more definitive conclusions. The Department will thoroughly review and consider the Council's report, after which it will identify the next steps to take as it continues to work with the appropriate agencies, including the Agency for Toxic Substances and Disease Registry.

Finally, I want to underscore that, above all else, the long-term health effects and welfare of our extended Marine Corps family is

our utmost concern. We will keep this committee apprised of the status as circumstances evolve.

The Department of the Navy's fiscal year 2010 military construction request of \$3.8 billion continues the Marine Corps' Grow the Force Initiative with a \$1.9-million investment targeted primarily at infrastructure and unit-specific construction required to move marines from interim facilities and provide adequate facilities for new units.

The fiscal year 2010 MILCON budget also provides funds for the first five construction projects to support the relocation of marines from Okinawa to Guam in the amount of \$378 million.

Our fiscal year 2010 budget request complies with OMB and the DOD financial management regulation that establishes criteria for the use of incremental funding. The use of incremental funding in this budget has been restricted to the continuation of projects that had been incremented in prior years. Otherwise, all new projects are fully funded and are complete and usable phases.

In family housing, our budget request of \$515 million reflects the continuation of investments money for locations where we still own and operate military family housing and where additional privatization is planned. Prior requests reflected an accelerated program to address additional housing requirements associated with Marine Corps force-structure initiatives. The Navy and Marine Corps have privatized virtually all family housing located in the United States.

Where we continue to own housing at overseas and foreign locations, we are investing in a steady-state recapitalization effort to replace or renovate housing, where needed. Our request also includes funds necessary to operate, maintain, and lease housing to support Navy and Marine Corps families located around the world.

Regarding legacy BRAC, we continue our request for appropriated funds in the amount of \$168 million, as we've exhausted all land sale revenue. We've disposed of 93 percent of the prior BRAC properties, so there's not a lot left to sell and the real estate market is not as lucrative as it was several years ago. We expect only limited revenue from the sale of Roosevelt Roads in Puerto Rico and other small parcels.

With respect to the BRAC 2005 program, our budget request of \$592 million represents a shifting emphasis from construction to outfitting and other O&M costs.

We have made significant progress in the past year in planning for the relocation of marines from Okinawa to Guam. The environmental impact statement for Guam is underway, with a targeted record of decision in time for construction in fiscal year 2010.

The Government of Japan ratified the international agreement on 13 May 2009 and appropriated \$336 million—fiscal year 2008 equivalent dollars—to complement our own fiscal year 2010 investment. We expect to see Japanese contributions deposited into our Treasury by July.

Finally, sir, it has been an honor and privilege to serve this great nation and the men and women of our Navy and Marine Corps team, the military and civilian personnel and their families.

Thank you for your continued support and the opportunity to testify before you today.

[The prepared statement of Mr. Penn follows:]

Senator BAYH. Thank you, Secretary Penn. We appreciate your service very much.

Mr. Calcara, I think we'll turn to you next, and then Ms. Ferguson.

**STATEMENT OF JOSEPH F. CALCARA, DEPUTY ASSISTANT
SECRETARY OF THE ARMY, INSTALLATIONS AND HOUSING**

Mr. CALCARA. Thank you, Mr. Chairman. Good afternoon, Senator Burr and other members. I think Senator Udall stepped out.

It's my distinct honor to present the fiscal year-10 Army budget, which—in what has been an extremely challenging and dynamic year for us all, working with a compressed schedule. I really appreciate the tremendous support your staff and you have provided us over the years, and we look forward to continue to work with you.

Our budget is about \$10 billion in the construction investment arena across fiscal year-10. About 4.2 billion of it is tied to base closure, which will allow us to complete, on time, what has been the largest base closure, for any service, ever taken. The Army's BRAC-5 round is bigger than all four rounds combined, and we are on track to complete it, with this funding, by the deadline. There's about a billion dollars in contingency funding in there for our Operation Enduring Freedom in Afghanistan. The rest of the money is tied to military construction. And as I know the question of the hour for the Army is, With the recent decision by the Secretary of Defense on 45 brigades verse 48, how that has—how does that affect our budget?

So, let me just address the top-line issues. You have my written statement for the record. I would request that you make it part of the record.

Senator BAYH. So ordered.

Mr. CALCARA. Inside the military construction request, including the Guard, the Reserve, housing, and military construction, we have about \$1.47 billion tied to the brigade Grow the Army Initiative. About half of those dollars are tied to combat support and combat service support functions that are not affected by the brigade configuration. The population will be there. Those requirements are there. We need those projects.

Of the remaining half of the 1.47 billion, about half of that is tied to housing and our military construction for the Reserves. So, that leaves us with about half of half of half, or a quarter, of the \$1.47 billion that we needed to revisit for prudent investment decision-making.

Now, we met with your staff—I think it was last week—and we went through our plan. We looked at those dollars and have looked at requirements that still exist at Fort Carson, Fort Stewart, and Fort Bliss. And our recommendation is to take those dollars, in the case of Fort Stewart, for example, and buy out of relocatable facilities. We have a one-for-one match on brigade configuration facility category code. It will allow us to reduce the number of relocatables that we have left to buy out across the future years defense plan and bring our percentages up, in terms of being out of relocatable facilities, something you've asked us to do. We think it's the right thing to do.

In the case of Fort Carson, we've looked at that location, and there we have chronic shortages. When the original brigades were stood up, the facilities were undersized, but, as we were on a critical timeline to get to 48, we allowed them to go as is. The dollars in the program in '10 will go back to Fort Carson and buy out of those substandard and capacity shortages that exist there. Again, we have population—brigade-centric population that marries up to those requirements.

In the case of Fort Bliss, we have two brigades there—a fire brigade and another brigade—who currently have shortages in facilities. Our plan would be to continue with the investment there, which will allow us to efficiently and effectively contract at a lower cost structure than if we deferred it, pending the QDR decision. In all likelihood, at least one, or both, brigades coming back from Europe will wind up at Fort Bliss. That will be that much facility that we will not have to program for in the out years if we allow those investments to continue.

Otherwise, it is—been a challenging year for us, working this. Again, I do appreciate your support, and I look forward to your questions.

Thank you.

[The prepared statement of Mr. Calcara follows:]

Senator BAYH. Thank you, Mr. Calcara.

Ms. Ferguson?

STATEMENT OF KATHLEEN I. FERGUSON, DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE, INSTALLATIONS

Ms. FERGUSON. Thank you, Mr. Chairman, Senator Burr. On behalf of America's airmen, it's my pleasure to be here today.

I'd like to begin by thanking the committee for its continued support of your Air Force and the thousands of dedicated and brave airmen and their families serving our great nation around the globe.

Today, more than 27,000 airmen are deployed in support of ongoing Operations Enduring Freedom and Iraqi Freedom, daily demonstrating their importance in support of joint combat operations. Within the Secretariat for Installations, Environment, and Logistics, we fully appreciate the efforts—we fully appreciate the impact our efforts have in support of these airmen, and how it affects their ability to positively influence our Air Force's warfighting abilities and capacity to counter hostile threats.

Military construction, family housing, and BRAC programs form the foundation of our installation structure. Our installations serve as the primary platforms for the delivery of global vigilance, reach, and power for our Nation, and our fiscal year 2010 investments reflect a direct connection to this vital work.

As we continue to focus on modernizing our aging weapons systems, we recognize that we cannot lose focus on critical Air Force infrastructure programs. Our fiscal year-2010 President's budget request of \$4.9 billion for MILCON, family housing, BRAC, and facility maintenance is a reduction from our 2009 request of \$5.2 billion. We intend to mitigate potential shortfalls in MILCON and facilities maintenance funding by bolstering our restoration and modernization programs as much as possible.

Using an enterprise portfolio perspective, we intend to focus our limited resources only on the most critical physical plant components by applying demolition and space utilization strategies to reduce our footprint, aggressively pursuing energy initiatives, continuing to privatize family housing, and modernizing dormitories to improve quality of life for our airmen.

One ongoing modernization effort within the Air Force that I'd like to mention is the Joint Strike Fighter. At the direction of the Secretary of the Air Force, we are taking a deliberate Air Force enterprisewide look at all installations to bed down the Joint Strike Fighter. This review will provide an open, transparent, repeatable, and defensible process to ensure the Secretary has appropriate and accurate information to make all Joint Strike Fighter strategic basing decisions.

In regards to military family housing, our master plan details are housing military construction, operations and maintenance, and privatization efforts. Since last spring, we completed new construction or major improvements on more than 2,000 units in the United States and overseas, with another 2,286 units under construction in the U.S., and almost 3,000 units under construction overseas.

Our 2010 budget request for housing is just over \$567 million. The Air Force request for housing investment is 67 million to ensure the continual improvement of our overseas homes.

Our request also includes an additional \$500 million to pay for operations and maintenance, utilities, and leases for the family housing program.

BRAC 2005 impacts more than 120 Air Force installations. Unlike the last round of BRAC, where 82 percent of implementation actions affected the active Air Force, in BRAC 2005 a full 78 percent of implementation actions affect the Air National Guard and Air Force Reserve. In fact, the Air Force will spend more than \$478 million on Air National Guard and Air Force Reserve BRAC MILCON projects. The Air Force's total BRAC MILCON—total BRAC budget is approximately \$3.8 billion, which the Air Force has fully funded. Our fiscal year-2010 BRAC 2005 budget request is approximately \$418 million, of which less than 20 percent is for BRAC MILCON projects. I'd like to emphasize, the Air Force BRAC program is on track to meet the September 2011 deadline.

Air Force MILCON, military family housing, and BRAC initiatives will continue to directly support Air Force priorities. It is imperative we continue to manage our installations by leveraging industry best practices and state-of-the-art technology. Our civil engineering transformation effort, now entering its third year, continues to produce efficiencies and cost savings that enhance support for the warfighter, reduce the total cost of installation ownership, and free resources for the recapitalization of our aging Air Force weapons systems. More importantly, these investments reflect effective stewardship of funding designed to serve our airmen in the field, their families, and the taxpayer at home.

Before I close, I'd like to highlight one additional area of importance to both the committee and the Air Force, and that area is the Air Force's stewardship of energy. The Air Force has launched an aggressive program to invest in facility energy conservation and re-

newable energy alternatives. Recently, the Secretary of the Air Force signed a mission directive institutionalizing energy policy within the Air Force and driving more efficient energy management practices. Together these policies will direct specific actions in the areas of operational processes, training, and installation management geared towards reducing our energy footprint and increasing our use of cleaner energy alternatives.

Our new infrastructure energy strategy is founded on four pillars that are designed to improve current infrastructure, improve future infrastructure, expand renewables, and manage cost. We intend to achieve the four pillars by incorporating best business practices into our education and training programs, pursuing cultural change in our organizations, and improving our asset management. We are seeing potential indicators that our efficiency strategy is providing return on investment. In fact, between the 2003 baseline year and fiscal year—2008, the Air Force decreased energy intensity by 17.8 percent.

Mr. Chairman and Senator Burr, this concludes my remarks. Thank you and the committee again for your continued support our airmen and their families. And I look forward to your questions.

[The prepared statement of Ms. Ferguson follows:]

Senator BAYH. Thank you, Ms. Ferguson.

We're going to have, what, 5-minute rounds? Is that—5-minute rounds. So, you'll let me know when my time is expired? Great.

Mr. ARNY, I'd like to start with you. Is there any reason to believe that the services won't complete the BRAC process on time? You feel pretty good about how things are going?

Mr. ARNY. Yes, sir, we do. Yeah, we've looked at it very closely, and the—we will meet the deadline. This question has been asked at each of the hearings we've been in, and all the services agree.

Senator BAYH. What's your understanding of where we stand on construction or missile defense sites in the Czech Republic and Poland? We had some testimony, just yesterday, from some officials involved in this area, and it appears that things are changing. But, we're being asked to appropriate some money for some sites that may be somewhat in flux. What's your understanding about that situation?

Mr. ARNY. We're—the Department is currently conducting a Ballistic Missile Defense Review, and we think that'll review the rationale and requirements for the third site and explore alternatives that may exist. No final decisions have been made on that. From a policy perspective, we follow the lead of our policy—

Senator BAYH. I understand. From our perspective, since no final decisions have been made, how are we supposed to appropriate the money?

Mr. ARNY. Sir, well, I—I can just say that we believe that the authorization and appropriations justified that there'll be sufficient funds to continue the program. We had a review of the MDA program ourselves, within house, in the MILCON, and we think there's enough flexibility in the program to handle the contingencies.

Senator BAYH. You can understand why we'd ask the question.

Mr. ARNY. Yes, sir, I—it's why I have an answer right here.

[Laughter.]

Senator BAYH. Very good. Let me ask you one that you may not be prepared for, then. By the way, that's good staff work.

I sit on the Intelligence Committee and the Energy Committee, and we've been briefed multiple times, as Senator Burr would know, recently about the vulnerability to cyberattack, possibly terrorist attack, focused on the Nation's power grid. And, in particular, some of our defense sites are vulnerable. If you wanted to attack a defense site, in some cases, you wouldn't strike it directly, you'd strike the civilian power upon which the site relies. And many of our facilities only have a few days' backup of kerosene for some Reserve generators they have. So, it's a real vulnerability for us.

What's going on to try and build in some redundant capacity so that, if such a—you know, an event took place, some of our important DOD facilities wouldn't be brought down in a matter of days?

Mr. ARNY. Yes, sir.

Senator BAYH. Because, as I understand it, if you take out some of these transformations and these—the power stations, it could be months before they get back online.

Mr. ARNY. We have looked at that, and we are continuing to look at it. There is a great debate going on within the Department. Some people have advocated islanding, where we could be completely self-sustained. And if you recall, in the last decade, we were looking at privatizing our utilities. So, from the—from my perspective and—from my perspective, we have—it's a real approach avoidance. On some of our—we try to make sure, on our bases, that our critical facilities have sufficient backup for a long period of time. We're also looking at ways that we can benefit from power sources near us. We're—as you've seen, we're putting photovoltaic at Las Vegas—

Senator BAYH. Maybe some—

Mr. ARNY. The Navy—

Senator BAYH.—somebody—some geothermal potential at some of the sites, that kind of thing?

Mr. ARNY. Exactly. The Navy's had—but, again, you have to be careful how you work around the law on that. When the Navy put in 225 megawatts of geothermal at Fallon—I mean, at China Lake, back in the 1970s and 1980s, the law did not permit us to take any of that power. When we—we're now developing about 30 megawatts at Naval Air Station Fallon. But, again, the way the procurement laws are written, it was much more beneficial for us to sell that power to the outside and take a cut on our electric grid.

Senator BAYH. Well, this is a matter of, you know, national security, so I—if you need some changes in the law to help us address this threat, please let us know what needs to be done.

You know, ordinarily, I—as you—my later questions will emphasize, I'm in favor of, you know, saving money wherever possible, being as efficient as possible. This is actually an area where some redundancy, some duplicative capacity may be in order to protect, you know, defense sites, because if we're—

Mr. ARNY. Absolutely.

Senator BAYH.—reliant on the civilian power grid, and that's vulnerable to attack, which we've been informed it is fairly vulnerable, then we've got to, you know, anticipate that sort of thing. So, you

let us know what needs to be done to help you address the situation.

Mr. ARNY. It's definitely an issue we're looking at. We don't want to be in the position of—in my perspective, of you're sitting on the ridge in San Diego, overlooking a city that's black, and there on the other side of the Bay is Coronado, all lit up like a Christmas tree. That would last for about 24 hours before, you know, we would have to be dumping power to the outside. So, it's a definite—it—we are definitely considering it. We're trying to figure what the middle way is. And if we do need any changes in the law, we'll come to you.

Senator BAYH. Well, the last thing I'll say, and then turn to the ranking member, is—there was a study done about some of these vulnerabilities that, unfortunately, found its way into the press, and some of the chatter suggests that the bad guys noticed that. And so, this is not just hypothetical.

Mr. ARNY. Yes, sir.

Senator BAYH. Senator Burr?

Senator BURR. Secretary Penn, I think it's safe to say I'm deeply concerned with some of the conclusions that the National Academy of Science review came to as it related to Camp Lejeune, and specifically the water contamination.

The report lists 14 disease and health conditions it concludes have limited or suggestive evidence of an association with human exposure to the chemicals identified in Camp Lejeune's water system.

What is the Navy going to do to work with the scientific community to collect the additional information for former residents who are experiencing some adverse health conditions?

Mr. PENN. Well, sir, I'm the—excuse me B- after a thorough review and consideration of the report, the Marine Corps, who's responsible, will identify the next steps to talk as it continues to work with the appropriate agencies, constituents, and potentially affected former residents. Thus far, we have over 137,000 former residents registered on our pipeline. We get a report, weekly, on the number of people that may have been exposed. We have over 43,000 phone calls coming in to the Call Center since then. We're not going to let our folks down.

Senator BURR. But, that's—and I appreciate your answer, and I think what you read was the same thing you read in your opening statement. The population—potential population affected is 500,000. We've tracked down 137,000. The report recommends—and I want to quote from it—the report recommended, quote, "Policy changes or administrative actions that would help resolve the controversy should proceed in parallel with any current or future scientific studies," unquote.

So, what are the Navy's ideas about how it can move towards a resolution for the Navy and for former residents? I mean, the report said, "Don't stop and—right here. Have a parallel effort figured—to figure out how you move forward." When will we have that?

Mr. PENN. I don't know exactly when we'll have it. I know the Marines who are looking at it, as we speak.

Senator BURR. Secretary, how long have we been looking at this?

Mr. PENN. About 7 years, as I recall.

Senator BURR. I think it's more like 12.

Mr. PENN. Well, since—well, I've been here 7 years.

Senator BURR. It's growing hair and it smells. And my hope is that we're going to find some path that we can confidently tell people we're going to pursue. And I look forward to working with you on that.

Secretary, let me also ask you what the status of the environmental impact statement is for the outlying landing field for East Coast Navy and Marines.

Mr. PENN. The EPA directed us to include the F-35 in our EIS analysis, so that will probably take—will probably add a year to the study.

Senator BURR. And what do you intend to do with the land that was purchased in Washington County—

Mr. PENN. We have been trying to return the land to the individual we purchased it from, and we're in the process of trying to get some laws changed so we can do that.

Senator BURR. And are you finding the—

Mr. PENN. We cannot just go out—we cannot just go back to them and say, "Okay, we don't—no longer need your land. Here's your money back." We cannot do that.

Senator BURR. Are you finding the public receptive to that?

Mr. PENN. Yes, sir.

Senator BURR. Okay.

Mr. Calcara, the Army's recently completed transactions with local private partners to construct unaccompanied officer and senior enlisted barracks at Fort Bragg, Fort Stewart, and three other locations. From initial reports, these townhouse-style complexes seem to be a raging success.

What are the pros and cons to using private developer, similar to housing privatization, to build and maintain Army barracks for junior enlisted personnel?

Mr. CALCARA. It is a rousing success. In fact, earlier today I met with the RCI partners in our semiannual meeting, and we are looking at doing it in other locations. The biggest issue with moving down to the lower ranks, obviously, is less cash flow to work with at the E1 to E4 level. The other issue that we have is, as we start looking these projects in areas where there isn't a secondary market, the underwriters are asking for us to put in additional guarantees on occupancy, to forward-finance 1 year's worth of debt service, and some other controls, to offset what they perceive as liquidity risk. When you start adding those pieces into the transaction, we start bumping up against the financial controls under the RCI—

Senator BURR. Does it—

Mr. CALCARA.—program.

Senator BURR. Does it make economic sense over the life cycle of the barracks?

Mr. CALCARA. It does, but we have to be able to meet the statutory test of no more than 33 percent cash investment in the transaction—

Mr. ARNY. Senator Burr, if I could add on that. We had similar problems with family housing privatization when we started. We did smaller projects, and, as it became more successful and our

personnel commands got used to it, we then began to expand to where the services—Navy and—for instance, I think, start first—where we’d do major regions. My—both my sons are at Lemoore, and I, frankly, never thought we’d ever privatize Lemoore, because the secondary market around it is—there isn’t—very little. But, when you put that together with all of San Diego, that gives the bankers and the developers confidence that if they have shortages at Lemoore, they’ll be able to make it up in the San Diego area. So, there are a lot of things we’re doing. It’s the right way to go.

Senator BURR. My time’s run out, but the Chair has allowed me to ask another question because it dovetails in this.

Mr. Calcara, question about the contracts used by the Army to manage housing privatization transactions involving partnerships. I read the testimony from last year, when Secretary Easton stated that the Army’s portfolio in asset management programs were strong and proactive. The overwhelming majority of the Army’s housing inventories are now privatized and under the management of the partnership.

Defense—Department of Defense efforts over the past 10 years to increase the servicemembers’ base allowance for housing has resulted in sizable Reserves growing in housing privatization Reserves accounts, which can be used to accelerate renovation and recapitalization activities. Eventually, though, the housing inventories for each transaction will reach a point of optimal performance, as measured by the occupancy rates, and Reserve funds will still be growing. Can you provide, for the record, your assessment of the current management practices used by the Army for housing privatization?

Mr. CALCARA. Well, in terms of managing the Reserve accounts, we are still in the development periods on virtually all of our projects. I think there is one project that we have finished the development period. So, what you’re referring to, in terms of capital-reserves building, really doesn’t occur until we get to—out of the development period, because we continually reinvest the dollars into the construction plan.

I can tell you we are basically doing well in virtually every location.

Senator BURR. Would you say you need to change the methods or process used by the Army to manage these partnerships?

Mr. CALCARA. I don’t see a need to change it. I think what we are talking about, you may be hearing about, is the role of our consultants in supporting our transactions and oversight. They’re taking a bigger role in government oversight on the transactions and using our consultants more in a deliverable-based, targeted approach, as opposed to a portfolio-wide application. And it’s not going to change what they’re doing for us, it’s just going to refine the way they do it for us. And—

Senator BURR. I appreciate your answers. I would only say that, everywhere I’ve looked, this has been an incredibly successful program, everybody who’s testified; more importantly, the folks who occupy it—probably to do a program like this in the most difficult place, on a base. And I would only caution you, sometimes a little tweak here and a little tweak there don’t come to the same out-

come. You got something that works; stick with the model. If it isn't broke, don't fix it.

Thank you.

Mr. ARNY. But, again, sir, that model grew. If you look back to the—I looked back to the history of it before I got here, and we were doing single bases; in some cases, the Air Force was doing partial bases. And, as we got more experienced servicewide, all three services, and including the Marine Corps, as well, we've expanded to larger projects. And you're right, it's been a success, and we don't want to break it.

Senator BURR. Thank you.

Senator BAYH. Thank you, Senator.

Senator Udall?

Senator UDALL. Thank you, Mr. Chairman.

Mr. Calcara, if I could address the issue of the reduction of brigades under the President's budget—you're well aware of it; I think we all are—45 brigades now, out of an initial plan to have 48. It's three—three installations, including Fort Carson in my home State, are now left short of a brigade they've been planning for. I think you know, the State of Colorado, Colorado Springs community and our congressional delegation fought hard to get one of the Grow the Army brigades to be based in—at Fort Carson. And the community made investments, based on the DOD's commitment that a new brigade was headed our way. We find ourselves short of a brigade. So, there are some outstanding questions I'd like to throw your way today.

First, I'd be interested in knowing whether decisions have been made about where to put the 10,000 soldiers that will not be filling out these three BCTs. Where will they be based? And will any of them be going to Fort Carson?

Mr. CALCARA. The answer is, I don't have a definitive answer today. In fact, the Army is at the full population strength required in the Grow the Army Initiative. What we are looking at doing now is assigning, you know, increments of that population to current installations.

In most cases, a place that has a brigade now, like Fort Carson, may, in fact, see as many as, you know, 3,500 going there anyway, without the additional brigade configuration, because the current brigades there now don't have the full population, or because we're reconfiguring combat support.

So, what we did for the purpose of the analysis on investment was, we did assume that all 3,500 would not show at Fort Carson, which would be a worst-case scenario, and then looked at investments and capabilities, based on a reduction of 3,500. And we're still comfortable that what we've asked for in the 2010 budget supports that population.

And what I'm telling you is, when the smoke clears on all of this, there probably will be some more growth at Fort Carson, incrementally, from the original 3,500 lost in that brigade.

Senator UDALL. This is, in part, tied to the Secretary of Defense's observation that we might be overstructured and undermanned, as I understand it. But, let me—

Mr. CALCARA. It goes to thickening the force and the—yes.

Senator UDALL. Yes.

Mr. CALCARA. Yes.

Senator UDALL. We may be saying the—we may be violently agreeing.

Mr. CALCARA. Yes, we're saying the same thing.

Senator UDALL. Let me move to the construction dollars that Fort Carson's been counting on to prepare for the new soldiers. It's my understanding that the MILCON dollars for range projects or program of an installation's population and force structure trigger across certain requirements thresholds, even without the BCT-47, which was originally planned for Fort Carson. Are there still sufficient training requirements at Fort Carson to justify the Army's fiscal year 2010 range projects at Fort Carson?

Mr. CALCARA. Yes, sir. In fact, there will still be some shortages after the fiscal year 2010 investment level, so we can, in fact, support everything that's been requested in 2010 for Fort Carson.

Senator UDALL. And that's good news and, I would argue, appropriate news, given the commitments, on both sides, that have been made.

If I could, let me speak to the QDR broadly, but then specifically. It's my understanding that the QDR still approves relocating a Germany-based heavy BCT back into the U.S. in fiscal year 2013. It would seem to me that the top three best military value stationing alternatives for the Army would be Fort Carson and Fort Stewart—I'm sure Senator Chambliss would agree with me—and Fort Bliss—in no particular order. I didn't hear what you had to say in your opening statement. Did you say one or both of these brigades would go to Fort Bliss? And I thought it would be decided in the QDR.

Mr. CALCARA. It would be decided in the QDR. What I said is that there is a potential that that could occur. Certainly, Fort Carson could—I would consider it competitive in the stationing decision. It is in the top- three tier of siting locations, tied to, not only military value, but capabilities and current investment that's there. I would tell you, though, to the extent that expansion of our ability to train there gets reduced, that would—I think it ultimately affects some of the decisionmaking on where the two brigades might go.

Senator UDALL. But, let me pursue that a little further. And I'm—I heard you say Fort Carson is still in the running, so let me direct a question prefaced with a couple of comments.

I think that you would agree that one of the key factors that go into a stationing decision is the training land an installation it has. The more training land an installation has, the higher its military value and the better its stationing appeal. As you know, Congress has not approved expansion at its current maneuver site at Pinon Canyon, but, I would add, Fort Carson still has the second highest amount of training land of any installation in the country. So, here's the question. With or without the expansion, Fort Carson should be a strong stationing candidate if this Germany-based BCT is relocated. Would you agree?

Mr. CALCARA. I would conclude that it is in the top three, in terms of where we would site it. I would also tell you that, beside training, we look at growth capacity, power projection, and overall

well-being to be supported for the soldier. So, there are three to four factors that play into that mix.

My short answer would be, all things considered equal, obviously a location with greater training capacity has a higher chance of being selected than one who does not. So—

Senator UDALL. Thank you, Mr. Chairman.

Senator BAYH. Thank you, Senator Udall.

Mr. ARNY. Senator Udall, I have to comment that—you have to understand, this is quite amazing to watch Mr. Calcara talk all these Army things, given that he started out as a Navy civil engineer. So—

Senator BAYH. Right.

Mr. CALCARA. Working for Mr. Army, by the way. So—

[Laughter.]

Senator BAYH. Senator Chambliss?

Senator CHAMBLISS. Well, obviously the Navy trained you well, you've adapted to the Army in great fashion.

Mr. CALCARA. Hoo-aah.

[Laughter.]

Mr. CALCARA. My staff is laughing. I don't say "Hoo- aah" often. So, I appreciate the—

[Laughter.]

Senator CHAMBLISS. I want to pick up there, where Senator Udall left off, because one of those other bases that's been left standing at the altar is, of course, Fort Stewart, in this process. And, you know, over the past 2 years, Army leaders repeatedly pressed local and government community leaders at Fort Stewart to make the investments that the Army encouraged the local community—and Hinesville, in Liberty County, is a small rural county, as you well know—but, they were pressed to make investments totaling over \$450 million, which they did. We received some State money, but, basically, most of it was local money.

The Army came down, briefed investment bankers and builders on several occasions in an effort to solicit their support, which—we got great community support, and they really stepped up to the plate. During the briefings, they showed both projected dates for new soldier arrival, unit deployment dates, and so forth.

Additionally, the Department sent the Office of Economic Adjustment to Hinesville to assist the community in properly preparing for the reception of the BCT, and provided a grant to organize and conduct a study of what was required.

In addition to private investment, Congress has appropriated 400 million military construction from 2006 to 2009, currently; 244 million is awarded on a contract, with a projected penalty of 30 percent if canceled. Some of this work was contracted as recently as May 10, 2009.

Additionally, the dining facility, which is 15 million, is slated to be let for contract next week.

Now, much along the lines of what Senator Udall asked about there, obviously the Secretary announced, on April 6th, that the decision to stop the growth of the Army at 45 BCTs was a surprise. Then, on June 1st, the Army announced that a BCT would not be stood up at Fort Stewart. And this decision has had very serious

and immediate consequences and impact on my home State, as well as the—directly, the community of Fort Stewart.

That same June 1st decision, though, did state that Fort Stewart still would grow by about 4500 soldiers by 2013.

Now, there are a number of MILCON projects that we've talked about. Again, let me ask a question to you with respect to those. Where do those projects stand, in the eyes of the Army? Are they justifiable? Do we need to go forward with construction, as proposed?

Mr. CALCARA. Yes, sir. As I mentioned in the opening—I think you may have missed it—we are recommending to stay the course with investment at Fort Stewart to, not only correct what we think are facility deficiencies, but to also buy out of relocatable facilities sooner, which we were going to circle back and do in the out years anyway.

So, you're absolutely correct, we still see growth there of 5500. We think it's a wise thing to do to buy out of the relocatables. And, in fact, when we do make the final stationing decisions, we may, in fact, grow the 5500 to a higher number as we thicken the force, as Senator Udall mentioned.

Senator CHAMBLISS. Yes. Is there the potential for still another BCT to come back from Germany, I believe, in about 2013? And the one I'm speaking of was to be located at White Sands Missile Range in New Mexico. I think a decision has been made not to bring it from Germany back to New Mexico. But, no decision's been made relative to where it will go. Is that correct?

Mr. CALCARA. That's correct, sir. And the reason why we took what—New Mexico off the list was because it was a cost-prohibitive investment there. When we originally had 48, we had no room at the inn to put them anywhere else, and New Mexico became a target receiver location. Now that we're back to 45, we've taken White Sands off the table. And certainly Stewart would be in consideration for one of those brigades.

Senator CHAMBLISS. We're 280,000 acres, the largest Army base east of the Mississippi, and we look forward to bringing all those folks to Fort Stewart.

Ms. Ferguson, I want to talk with you for a minute about our situation at Moody Air Force Base. We worked very hard last year to close this deal to transfer the former American Eagle projects to a new developer. And I believe the developer that bought it was Pinnacle-Hunt. That was a very painful process for both the Air Force, as well as the Valdosta community to go through.

As you know, Moody was one of, I think, three or four projects—I believe it was four projects—

Ms. FERGUSON. It was four projects.

Senator CHAMBLISS.—that were included in that privatization issue. The situation with respect to that project now, tell me where you think we are and where you see us going with respect to filling this gap of some 229 shortfall in houses that were anticipated for new airmen and -women coming into Moody.

Ms. FERGUSON. Okay. I first want to publicly thank your community, and specifically Judge McClain, for the work that he had in helping to get the project sold from American—from Hunt—from American Eagle, Carabetta-Shaw—or Carabetta to Hunt-Pinnacle.

I was down there 2 weeks ago and actually bumped into Judge McClain at dinner, and he was really pivotal in helping work that—helping make that closure go through in November of last year. So, we wanted to thank him publicly.

Onsite down there, we took about a 4-hour tour of the housing at Moody just 2 weeks ago, saw significant improvements, certainly over the last year. Hunt-Pinnacle is working on 50 of the homes that American Eagle had partially out of the ground. Nineteen of those homes were accepted for occupancy on Monday, and families are beginning to move in, including the new wing commander—

Senator CHAMBLISS. He's getting the first house—

Ms. FERGUSON. He's getting—

Senator CHAMBLISS.—I think.

Ms. FERGUSON.—the first house. We toured the house when we were down there. It's a great-looking house.

They're also doing a number of minor renovations in Quiet Pines area. They're doing roof replacements, window replacements. And we also went through The Courts. And the Courts area is eventually going to be demolished, but Hunt-Pinnacle was really doing a good job of going in, replacing doors, carpeting, and making them quite nice for the families that are going in there. And the Moody housing has great occupancy rate. We're hovering, 98-, 99-percent occupancy.

But, as you point out, the project, as it is today, is not the project that it was originally, and we are still committed to the community, both outside the fence and inside the fence. We know we still have a deficit to work there, and we're continuing to work that now. We're working a number of different options to try to close that gap, and we're hoping, within the next 6 to 9 months, we'll be able to do that.

Senator CHAMBLISS. Yes. I thank the Air Force and you for really prompt attention to that matter, because it truly has been painful, as you observed from your viewing of it. Got such great potential down there, and to see all those houses literally falling down, in some cases, now, is a pretty sad sight.

Mr. Chairman, with your indulgence, could I go back and ask one other quick question to Mr. Calcara?

I should have included this in my statement to you with reference to the MILCON projects. Because we're going to see an increase in this population anyway, at Fort Stewart, of about 4500 over the next couple of years, in addition to the MILCON projects, does the Army not agree that, from the standpoint of providing schools for educating our children, that we need to move forward with the construction of additional classroom facilities for those additional children that'll be there as children of Army soldiers?

Mr. CALCARA. Well, sir, I'm unaware of any specific authority we would have to construct schools. My understanding is that, you know, our aid that's provided down there is through impact aid that's given to the Department of Energy B-

Senator CHAMBLISS. I didn't mean to implicate you had MILCO money for the—

Mr. CALCARA. Oh—

Senator CHAMBLISS.—construction of schools. But, we're going to have 4500 soldiers, and they're going to bring families in, which means we need more classroom capability.

Mr. CALCARA. Yes, I think that's a reasonable conclusion, that, based on the demand analytics for a family size and your current school population characteristics down there, you would need more schools.

Senator CHAMBLISS. Yes. And if there is any money in the budget—and I, frankly, can't remember if there is any specific money—MILCON money—for schools, the Army would anticipate continuing with those projects.

Mr. ARMY. But—

Mr. CALCARA. Yes.

Mr. ARMY.—Senator, if I could, with the Department, unless the—unless the base has a DODEA school system, which there are only a few bases in the States, the schools are all provided by the outside school districts. Some of our bases, we do provide land, so the school district can build on the base, if that's required, but we do not—unless it's a DODEA school, we do not provide MILCON for the construction of schools.

Senator CHAMBLISS. Staff has just reminded me of what I thought was a fact. There are two schools at Fort Stewart to be built in the fiscal year 2010 budget from MILCON monies.

Mr. ARMY. Then Fort Stewart must have a DODEA school system.

Senator CHAMBLISS. Yes.

Mr. CALCARA. They have—

Senator CHAMBLISS. Okay. And from the Army's standpoint, there is no reason not to continue with those two projects, I assume.

Mr. CALCARA. No, sir. You're absolutely correct. The population is growing by a minimum of 4500 servicemembers and then their families.

Senator CHAMBLISS. Okay.

Thank you, Mr. Chairman.

Senator BAYH. Thank you, Senator Chambliss.

Senator Thune?

Senator THUNE. Thank you, Mr. Chairman.

And I want to thank our panel for their testimony today, and responses to the questions, and for the important work that you do, day in and day out.

I have a question I'd like to direct, I guess, just kind of the panel, generally, and whoever would care to maybe respond to it. But, it's dealing with the whole of renewable energy projects near military training ranges or, for that matter, even 30 miles away from training ranges.

The military is not particularly enamored and, some have argued, undercut renewable energy projects, due to issues like radar signature interference. And that's had a chilling effect on renewable energy projects, which I think you've got a number of training ranges that are in the desert, which has tremendous capacity for solar energy, for example. And so, I guess my question is, What steps could be taken—could the DOD take to work with the renewable energy industry to try and establish more of a presence in

some of these remote areas that are often quite a distance from training ranges?

Mr. ARNY. Senator, that's an issue that we're addressing. I formed—when I took over this job, I formed a Defense Energy Working Group in which all the services participate, the engineers. And that's an issue that's come up.

Frankly, it's a matter of us educating the bases. There has to be a compromise. We're the largest single consumer of energy, when you consider our mobility fuels as well as base facilities, so we have to consider all the alternatives.

Frankly, unless we own the land, if somebody wants to put a solar site, or wind, on private land, there's not much we can do. Now, obviously, what—from what you're telling me—and I've heard this, too—we're jawboning and causing a chilling effect. We've got to reverse that. We have to work with people, look at alternatives.

Now, I will tell you that these wind farms, with some of the kinds of radars we use, is—not only the blades are causing disruption of the radar, but it's also the turbulence downstream.

But, again, if we've got an area—we, the Department of Defense, have an area that—where we have to be—have exclusive use of that territory, then we'd better consider buying easements or buying land. We've got to work with people who are trying to produce electricity, especially PV in the Southeast—or, Southwest, rather—so that we can work each other's—so that we can accommodate each other, so we understand each other's problems.

Let's face it, a base commander and folks in the field get promoted by pushing their primary mission, which is testing or training or doing something else. We're—we, as a service at—the Department and the services, have to educate them to open their mind a little bit and look at alternatives.

Senator THUNE. Well, I appreciate your answer to that, and I hope you will. I think there's a tremendous synergy in there, and opportunity to achieve a couple of critical objectives.

Mr. ARNY. We can't sit there—like I said, as a major consumer of energy—and say, "You can't produce energy outside my base."

Senator THUNE. Right.

Mr. ARNY. It's just incompatible.

Senator THUNE. Right.

I have another question that's related to energy, a different subject, but—and I'd like to direct this to Ms. Ferguson. But, last year, Secretary Donnelly signed the Air Force Energy Policy, which, among other things, establishes a couple of goals with respect to using alternative fuels in the Air Force aircraft fleet. One goal is to test and certify the aircraft fleet on a 50–50 alternative fuel blend by the year 2011. A follow-on goal is to require 50 percent of the Air Force's domestic aviation fuel requirement be an alternative fuel blend in which the alternative component is derived from domestic sources.

And from what I understand, an initiative to build a coal-to-liquid plant on Malmstrom Air Force Base in Montana was abandoned earlier this year, and a similar plan to build a plant in Alaska with a guaranteed 5-year contract is still up for grabs, with no takers.

So, I guess my question is, How well is the Air Force proceeding toward reaching these alternative-fuel goals? And how can the committee help the Air Force reach its goal of using domestically-produced alternative fuel?

Ms. FERGUSON. I will have to take that back for the record for you. I don't have enough data on that with me today.

[The information referred to follows:]

[SUBCOMMITTEE INSERT]

Senator THUNE. Okay. I would be very interested in knowing that—

Ms. FERGUSON. Yes.

Senator THUNE.—Mr. Chairman, for the record. The—this whole initiative at Malmstrom was sort of highly touted for a while, and it's just all of a sudden sort of fallen off the grid. And these other initiatives that the Air Force had undertaken, I think, are critically important. The Air Force is the largest user of fuels, obviously, and if we can use domestically produced alternative fuels here, it lessens the very dangerous dependence that we have on foreign energy.

So, I would appreciate your—if you could get back to me on that.

Ms. FERGUSON. We'll get back to you—

Senator THUNE. Thank you. Appreciate your testimony and your—again, thanks for what you do.

Mr. Chairman, I yield back.

Senator BAYH. Thank you, Senator Thune.

Mr. Calcara, I had a couple of questions for you. Let me ask you—the number of brigades was 42, correct? And it was then proposed to increase the number of brigades to 48. Isn't that right? And that's—

Mr. CALCARA. Yes, sir.

Senator BAYH.—now been scaled back to 45. But, it was the increase from 42 to 48 that occasioned the proposal to station the three additional brigades at the three sites that will now not get them, correct?

So, knowing what we know today, if the proposal had been 45, as it is today, originally, there would have been no money proposed for those three additional sites. Isn't that true?

Mr. CALCARA. That's true. Yes, sir.

Senator BAYH. And yet, we're now being asked to devote money to sites that otherwise there would have been none authorized for, so that money would have been available to address the range of—I understand that there are needs at those sites; I heard your testimony, and I'm sure that's true.

Mr. CALCARA. Right.

Senator BAYH. But, those funds would have been available to address all the needs facing the military in this area, at all the sites. And so, you know, I ask you, are these really the most pressing needs out there in your area of jurisdiction?

Mr. CALCARA. Well, I think if you look at our plans for what amounts to the 335 million, or the 25 percent of that 1.4 billion, most of it is going to take care of training barracks. It's going to get us out of relocatables, and it's going to correct what was originally capacity shortages—

Senator BAYH. I know that. These—this is not a bridge-to-nowhere kind of—

Mr. CALCARA. Yes.

Senator BAYH.—situation.

Mr. CALCARA. But—

Senator BAYH. But, my point is that this would never have been authorized originally, and now we're being asked to sort of devote it to this anyway. And so, are there are really no more pressing needs than what is being proposed here at these three sites?

Mr. CALCARA. Well, there's always other pressing needs. But, I guess I would say to you that we've read from you a strong policy imperative to correct our barracks, to get out of relocatable facilities, and to help sustain—or propel, I should say—the Army modular force. And these investments will do those three things, which ranked very high in—

Senator BAYH. So, it's just a coincidence that the most pressing needs in those particular areas happen to be at these three sites?

Mr. CALCARA. I wouldn't say it's a coincidence, but I—when we looked at the dollars for—potentially available for reinvestment, we did consider all other priorities across the Army. And if we felt that we had higher-ranking priorities, we would come to you and suggest—we would have briefed you that, you know, of the 335 million, we think X should go to that, or Y to go to that. We recognized there was a unique situation. We did not intend to mislead anybody in the program or—

Senator BAYH. See why a taxpayer might be a bit skeptical that, you know, these three facilities were proposed to be expanded, and now that's no longer being proposed, and it just so happens that the money that would not have been authorized for them in the beginning is now the most pressing need facing the Department in this area? That seems to be rather remarkable.

Mr. CALCARA. It—I see your point, sir, but, again, you know—

Senator BAYH. Can—

Mr. CALCARA.—we felt that training barracks, relocatable facilities, and enabling the Army modular force were—had enough gravitas as our strategic priorities to sustain the investment decision.

Mr. ARNY. Senator—

Senator BAYH. Your—

Mr. ARNY. Mr. Chairman?

Senator BAYH. Your testimony to the subcommittee is that there is not one dollar that can be saved that was originally authorized for this—

Mr. CALCARA. No, sir, that's not true. We did identify, I believe, \$190 million, in the session the other day we had with your staff, that was available—

Senator BAYH. But, of these funds, there's nothing that could be saved that was originally authorized for these three sites.

Mr. CALCARA. I would take exception to the word "saved." I mean, I think our understanding is that we were going to use these dollars to buy out of requirements that we had, at some point in the process. Whether or not they should have been at the top of the order or the bottom—at a lower position, we did consider that, and we felt training barracks, modular force, were high priorities.

Mr. ARNY. And, Mr. Chairman, we, at OSD, did review the priorities with the Air—with the Army, and agreed with them, as well.

Mr. CALCARA. You know, it—the other point is, we've already discussed about our military value—high military value locations across the Army, and they are, in fact, Bliss, Stewart, and Carson. So, in some ways, we are investing where we think our future is going to be.

Senator BAYH. Let me ask the Navy about that. Apparently, the decision about where to locate the 8,000 marines from Okinawa is going to be decided in the QDR. I think that's—

Mr. PENN. No, sir. No, sir, that's not true. The QDR's going to decide the training areas that we will be using, as it's a joint training, all services—the training in the Pacific.

Senator BAYH. Right. The Commandant has expressed some concern about the ability to train the marines at Guam and the Marianas. Isn't that true?

Mr. PENN. That's correct. That's training. Yes, sir.

Senator BAYH. Okay. And—well, let me ask you, then. How much of the size and composition of the Marine Corps move to Guam is being reconsidered and debated in the QDR process? None?

Mr. PENN. Zero. That's correct.

Senator BAYH. Oh. Richard, I'm going to turn to you, although, if you would indulge me for just a moment—

Senator BURR. Sure.

Senator BAYH.—I had a couple of questions for Ms. Ferguson.

The proposal for the investment in Oman—as I understand it, we had invested in an airfield there before, and they're now running us out, because they're like to turn it into a civilian airport. Isn't that true?

Ms. FERGUSON. Sir, we've been there for quite a number of years, and between 1980—I think it's 1982 and 1989, the Air Force invested about \$65 million for some WRM facilities there. The Omanis would like to use that for more commercial. The area is very cramped, and they've invested 200 million at the Al Musannah site in the Air Force, and would like the Air Force and the U.K. to move to that new site. And these facilities provide the start of relocating those WRM facilities out there.

Senator BAYH. Do you think we ought to get an agreement with them in place before we spend this money?

Ms. FERGUSON. We do have—my understanding is, we do have an agreement in place with the Omanis now for the two fiscal year-10 projects. And I've got some recent classified information that I can—that we can certainly share with the staffers, in another environment.

Senator BAYH. Good. I mean, given their previous behavior, it would be kind of nice to nail this down before we spend the money.

The base in Italy—I hope I'm pronouncing it correctly—Sigonella—I hope that's close enough—it's been, historically, underutilized by the Navy. Do you feel that we should more thoroughly explore using those Navy facilities for the Global Hawk basing before building another hangar facility which might only compound the underutilization situation?

Ms. FERGUSON. We have worked with the Navy, and we are being afforded the opportunity to use a temporary—a hangar, on

a temporary basis, and the Navy has long-term plans for the remainder of the facilities, and they are not available to the Air Force for any long-term needs that the Air Force has to bed down the Global Hawk.

Senator BAYH. Thank you, Ms. Ferguson.

Mr. ARNY. And, Mr. Chairman, if I could follow up for just a second on the training—the Marine Corps training. The Commandant's concern is inadequate—I want to say "unit training." But, that inadequacy exists now with the forces in Okinawa. We do not have adequate Marine Corps training throughout the Pacific. So, the movement to Guam, of 8,000 marines, leaving 10,000 in Okinawa, the EIS for Guam does include individual weapons training facilities in Guam. He's concerned that he doesn't have the kind of unit training he needs.

The Deputy—the Secretary and the Deputy Secretary have committed to the Commandant that we will look at unit training in the Pacific, because the Army's got some shortfalls, the Marines definitely have shortfalls, whether they move to Guam or they stay in Okinawa. So, it is an issue that goes beyond the move to Guam, and we are definitely going to look at it, and I believe there will be a separate study and a separate environmental impact statement to cover that.

Senator BAYH. We just wanted to make sure we weren't spending money to build facilities on Guam that then we weren't going to end up utilizing.

Mr. ARNY. Absolutely not.

Senator BAYH. Okay, great. Well, thank you very much.

Senator Burr?

Senator BURR. And not only are we—

Senator BAYH. Richard, I need to—forgive me for—I need to get a—

Senator BURR. Oh.

Senator BAYH.—briefing, here, before our markup, coming up, so if I could turn the gavel over to you, you promise you won't exceed our authority?

Senator BURR. We will not spend anymore money, I can assure you.

[Laughter.]

Senator BURR. We might find some cuts while you're gone.

[Laughter.]

Senator BURR. I think—

Senator BAYH. I'm not sure the Treasury has any more.

So—

Senator BURR. Things might move to North Carolina all of a sudden, but—

[Laughter.]

Senator BAYH. Well, you know—it's a good State.

Senator BURR. As—

Senator BAYH. Thank you all very much. I appreciate your testimony here today, and your service to the country.

Senator Burr [presiding]: As Evan said, we'd like to make sure that the investment we're making in Okinawa is an investment that can be utilized. And I was going to ask Secretary Penn, but I'll ask you, Mr. Army—aside from the basic estimate of \$4 billion

for the U.S. investment, does the Department of the Navy have a detailed current estimate of cost to U.S. taxpayers to complete the initiative, including one-time construction costs and additional base operation cost?

Mr. ARNY. Sir, we're putting that plan together, and we'll be able to provide you that with the—as we complete the planning process as—and as we complete the environmental impact statement, which is scheduled for completion in 2010. I've discussed with your staff, we're trying to get those numbers together now. The Deputy—the new Deputy Secretary is taking on the leadership of the Guam move, himself, and has a group, chaired by him, that it—we are meeting on a—every 2 weeks, to make sure that we get all this stuff in a package. I know we are a little bit late in getting some of that to you, but we definitely have a commitment to you and to the Japanese government to get that movement in place, as well as all the other movements that take place, and to make sure they're properly funded. And we will get the details to you as soon as we can.

Senator BARR. Well, it's clearly not an inexpensive move.

Mr. ARNY. No, sir, it is not.

Senator BARR. We want to make sure that the investment—

Mr. ARNY. Yes, sir.

Senator BARR.—is wise.

Well, Ms. Ferguson, let me turn to you. And I want to talk specifically about the F-35. What's the current status of the EIS for the joint—initial training site at Eglin?

Ms. FERGUSON. We signed a record of decision for the initial EIS back in February that allowed the delivery of 59 airplanes there. We are in the process of kicking off the supplemental environmental impact statement, as required by the record of decision. We—in fact, just yesterday, I briefed the Air Force Board on the proposal for the range of alternatives that will be considered in the supplemental EIS, and I brief that to the Chief and Secretary next week.

The contract has been awarded for that activity, and we anticipate—our schedule anticipates having a new record of decision specifically on the 59—how to operate the 59, what it will require to mitigate the 59 in September of 2010.

Senator BARR. And there's currently litigation on the move to Eglin?

Ms. FERGUSON. There's—currently, there's actually two components of legislation of litigation. One, there is a FOIA request, and then there is also litigation that was levied by the community of Valparaiso over the NEPA.

We have reached agreement—the Air Force, Department of Justice, have reached agreement for a 90-day stay with the city—city's attorneys. And there's another meeting with respect to that. That was reached the first week in June, and there's another meeting with respect to that, on the 30th of June.

Senator BARR. Well, potentially, when that stay goes away, if litigation is still pursued, what does that do to delaying our ability to meet the deadlines that we've got for the purposes of training?

Ms. FERGUSON. And, of course, I'm not the lawyer, I'm the engineer—

Senator BURR. No, but I think—

Ms. FERGUSON.—probably—

Senator BURR.—I think everybody in this room knows that, in 90 days, this is not going to be settled—

Ms. FERGUSON. Yes.

Senator BURR.—because we don't even have the EIS done taking into account the noise of the F-35.

Ms. FERGUSON. Right. It's probably best for me, rather than speculate that, provide that for the record to the committee.

[The information referred to follows:]

[SUBCOMMITTEE INSERT]

Senator BURR. Let me ask it in a different fashion, if I can. Is there a Plan B if, in fact, litigation drags out and Eglin is not an eligible place to stand up for this purpose?

Ms. FERGUSON. We don't have a Plan B. I can tell you the Air Force does not have a Plan B for it. BRAC directed the standup of the initial joint training site at Eglin, and the Air Force is working towards accomplishing that.

Senator BURR. I'll hope that our staff converses with you about whether there should be a Plan B or not. I think it would be prudent to pursue that. There's enough of a challenge with the completion date of the F-35 and the gaps that it may cause. I'd hate to see a delay in our ability to train pilots in that new aircraft.

Mr. ARNY. Sir, there are ways to mitigate that, I believe—and, again, I'm not the lawyer, either, but I've been around enough of these EISs—we can mitigate; and if we can't, we will adapt and move as quickly as we can to train at other locations.

Senator BURR. Thank you.

Let me just go back to Secretary Penn real quick. I asked a question relative to the move from Okinawa to Guam while you were out. In response to a hearing question posed to you last year concerning the costs incurred over the long term by the Department of the Navy for rent payment to reimburse the Japanese government for their investment in new housing in Guam, you said this, and I quote, "Impacts to the Navy's budget from this agreement continue to be assessed. Until final implementation details are determined, any additional impacts cannot be fully determined."

Do we have a final—do we have the final implementation details?

Mr. PENN. No, sir, we do not. And we probably will not have them until the record of decision. Once we go through the EIS, then we'll have all the numbers of the exact people, the mix that we'll be putting on Guam.

We're building a city on Guam. We have 75 different environmental impact statements that we're conducting, and it's taking us a long time, longer than we thought, to put 'em all together.

Senator BURR. Trust me, I get a full sense of the scope of what we're trying to do. What I'm desperately trying to do is get a sense of what is this going to cost us. I know what the initial cost is. I'm not sure that anybody has addressed for us what the overall cost of this is. And I'd be willing to bet—is anybody in a position to tell me now?

Mr. ARNY. Sir, we'll be able to—we could probably give you an estimate, based on the forces in our normal term and our normal

multiplier effects. Part of it is resolving the laydown with the Marine Corps of which facilities go where. And I now that Mr. Penn is wrestling through that on a daily basis. We could probably look at, you know, based—like I said, based in Guam, what it's going to cost to sustain it.

But, again, if you'd just give us a little more time, we are going to plan this, we're going to make this work, because it's—it's of such strategic importance to us, not only for the Japanese-U.S. relationship, because now we'll have Japanese units training with our units in Guam, but also for the strategic necessity of the United States.

I—you know, full disclosure—I represented the Government of Guam for 10 years when I was in the private sector, and we never really had a plan to make use of the most forward-deployed piece of U.S. territory, for which we lost a lot of lives to retain in World War II. We're 3 hours by air from almost every part of the Pacific Rim. It is just so—such a key location, with a population that is so pro-American, pro—you know, pro-citizen, because they are American citizens—they've died in all the wars and enlist in higher percentage per capita than any other group in America. And so, for our strategic needs as a nation, it's absolutely essential to get this right. And so, we're working very hard at it.

Senator BURR. Well, I'm—

Mr. ARNY. And, sir, some of the things we we're doing, that we're not including in the Guam move, like we're going to—we're putting carriers in there temporarily—in fact, one just arrived yesterday—so, we'll be taking carriers that, when they go to WESTPAC, Guam will be a visit for them. The Army will be putting a ballistic missile battery in, and the Air Force is going to be putting several things on there, as well. So, we're wrapping everything together. But, they're coming out of different funding pots.

Senator BURR. Well, I appreciate the answer, Secretary, and—were this a weapons platform, I would probably walk away and say, interagency, they're still trying to figure how much stuff they're going to put on it. That's why they can't identify what the overall cost is. It's not a weapons platform, it's a strategic base for the future.

And I hope you understand why I'm so persistent on this, because if, in fact, you can't provide the details to me, why should I authorize \$378 million to proceed? If you can't tell me the overall cost of it, then how do I turn, a year from now, 2 years from now, 3 years from now, and figure out, Are you in line with exactly what you told us this was going to cost? Now, some of you may not be here, but I plan to be, so these are accountability methods that are going to be applied to me. And I think there's probably a warning shot here that says, if we haven't decided everything that's going to be there, let's do it real quick, let's figure out what it's going to be, let's figure out what the partners' obligations are, let's figure out what ours are, but let's get the details before we start talking about the funding.

Mr. PENN. We should have that very soon. We were hoping to have it by the end of next year.

Senator BURR. Mr. Army, do you have anything you wanted to add?

Mr. ARNY. No, sir. We'll—again, I think we can provide general long-term sustainment numbers for you, based on multiplier factors. We'll work with your staffs, too, as we refine these numbers, and get you numbers as quickly as we can.

Senator BURR. Super.

Again, on behalf of the chairman, let me thank all of you for your testimony today. It's invaluable. Again, we apologize for the expedited hearing, but we needed to do that to meet the timeframe.

So, at this time, the subcommittee is adjourned.

[Whereupon, at 4:45 p.m., the subcommittee adjourned.]