

**HEARING TO CONSIDER THE NOMINATIONS  
OF: GEN. MARK A. WELSH III, USAF, FOR  
REAPPOINTMENT TO THE GRADE OF GEN-  
ERAL AND TO BE CHIEF OF STAFF, U.S. AIR  
FORCE; LT.GEN. JOHN F. KELLY, USMC, TO  
BE GENERAL AND COMMANDER, U.S.  
SOUTHERN COMMAND; AND LTG FRANK J.  
GRASS, ARNG, TO BE GENERAL AND CHIEF,  
NATIONAL GUARD BUREAU**

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**THURSDAY, JULY 19, 2012**

U.S. SENATE,  
COMMITTEE ON ARMED SERVICES,  
*Washington, DC.*

The committee met, pursuant to notice, at 9:34 a.m. in room SH-216, Hart Senate Office Building, Senator Carl Levin (chairman) presiding.

Committee members present: Senators Levin, Lieberman, Reed, Akaka, Nelson, Webb, Udall, Hagan, Begich, Shaheen, Blumenthal, McCain, Inhofe, Chambliss, Wicker, Brown, Portman, Ayotte, and Graham.

Committee staff members present: Richard D. DeBobes, staff director; and Leah C. Brewer, nominations and hearings clerk.

Majority staff members present: Jonathan D. Clark, counsel; Richard W. Fieldhouse, professional staff member; Creighton Greene, professional staff member; Jessica L. Kingston, research assistant; Michael J. Kuiken, professional staff member; Gerald J. Leeling, counsel; and Peter K. Levine, general counsel.

Minority staff members present: Adam J. Barker, professional staff member; Pablo E. Carrillo, minority general counsel; Daniel A. Lerner, professional staff member; Elizabeth C. Lopez, research assistant; Lucian L. Niemeyer, professional staff member; and Diana G. Tabler, professional staff member.

Staff assistants present: Jennifer R. Knowles and Mariah K. McNamara.

Committee members' assistants present: Brian Burton, assistant to Senator Lieberman; Carolyn Chuhta, assistant to Senator Reed; Ryan Ehly, assistant to Senator Nelson; David Bonine and Gordon Peterson, assistants to Senator Webb; Casey Howard, assistant to Senator Udall; Lindsay Kavanaugh, assistant to Senator Begich; Patrick Day and Chad Kreikemeier, assistants to Senator Shaheen; Kevin Fink and Kathryn Parker, assistants to Senator Gillibrand;

Anthony Lazarski, assistant to Senator Inhofe; Lenwood Landrum, assistant to Senator Sessions; Joseph Lai, assistant to Senator Wicker; Charles Prosch, assistant to Senator Brown; Brent Bombach, assistant to Senator Portman; Brad Bowman and Adam Hechavarria, assistants to Senator Ayotte; and Sergio Sarkanay, assistant to Senator Graham.

**OPENING STATEMENT OF SENATOR CARL LEVIN, CHAIRMAN**

Chairman LEVIN. Good morning, everybody.

This morning the committee welcomes three distinguished military nominees: General Mark Welsh, U.S. Air Force, who is nominated to be Chief of Staff of the Air Force; Lieutenant General John Kelly, U.S. Marine Corps, who is nominated to be the Commander of U.S. Southern Command; and Lieutenant General Frank Grass, Army National Guard, who is nominated to be the Chief of the National Guard Bureau. We thank you all for your decades of service to our Nation and for your willingness to continue to serve in these positions of such great responsibility.

I would also like to welcome and to thank your family members, some of whom are here this morning. The long hours and the hard work that are put in by our senior military officers require commitment and sacrifice not only from our nominees but also from their families. Our Nation is indebted not just to you for your service but to your families. And in this regard, it is the tradition of this committee to invite each of you during your opening remarks to introduce the family members or others who are here with you this morning.

General Welsh, who is the prospective Chief of Staff of the Air Force, will face the difficult tasks of recruiting and retaining a quality force and maintaining current readiness to conduct the ongoing war on terrorism while at the same time transforming the Air Force's force structure to deal with the threats of the future in the face of difficult cost and scheduling problems with the Air Force's major acquisition programs.

Many of the ongoing challenges facing the Department of the Air Force have centered on acquisition programs, and as Chief of Staff, General Welsh, you will be leading the Air Force in defining requirements for the acquisition community to fill. Some programs have been proceeding reasonably well, such as the tanker replacement program, but too many acquisition programs are mired down in problems which, unless resolved, will make it difficult, if not impossible to afford the Air Force that we need.

Of perhaps greater concern is the fiscal year 2013 plan for realigning force structure for the Air Force where the cuts proposed fall disproportionately upon the Air National Guard. Historically the Air Force has been credited for having a very good relationship with its Reserve components, and that is essential because it relies more heavily on the Reserve Forces than the other military departments. With the presentation of the Air Force's fiscal year 2013 proposals for making force structure reductions, however, the Air Force appears to have decided against relying as much on the Air National Guard to provide tactical fighters and airlift capability, and the firestorm which erupted from that proposal resulted in Congress stepping in. This committee has proposed a creation of a

national commission on the structure of the Air Force to advise Congress on appropriate criteria that should be used for force structure when planning the Air Force of the future.

General Kelly, the SOUTHCOM area of responsibility includes the Caribbean and Central and South America. The primary threat to the United States emanating from SOUTHCOM's area of responsibility is the destabilizing impact of transnational organized crime. These violent criminal organizations are a real threat to national and international security and SOUTHCOM is the hub for the Department of Defense's activities to counter this threat and a critical entity through which Federal law enforcement agencies are supported.

Last summer, the President released the National Strategy to combat transnational organized crime. And, General Kelly, you will be one of the key implementers in the Department of Defense of the President's strategy, and the committee looks forward to hearing your views on this threat and SOUTHCOM's ongoing role in the implementation of this strategy.

Over the last 2 decades, SOUTHCOM's most significant operations have been supporting the Colombian Unified Campaign against the Revolutionary Armed Forces of Colombia, or FARC, and other Colombian terrorist organizations and transnational criminal organizations. SOUTHCOM's train and equip activities in Colombia have seen success as the Colombian Government is back in control of the vast majority of its territory. And, General Kelly, you will be responsible for maintaining this important military-to-military relationship.

The success of SOUTHCOM's support operations in Colombia, however, has in part meant that illegal narcotics trafficking and the associated destabilizing impacts have shifted into Central America, and General Kelly, the support of SOUTHCOM to those nations in Central America, including Honduras, El Salvador, and Guatemala, will be a key focus of your tenure at SOUTHCOM.

SOUTHCOM will undoubtedly be called upon to assist nations in the AOR responding to natural disasters. None of us have forgotten the devastating impact of the earthquakes in Haiti and Chile or the hurricanes that have struck Central America. SOUTHCOM's ability to deploy naval and aviation assets to assist in recovery in the immediate aftermath of these natural disasters is a critical capability, and this committee has strongly supported these efforts over the years and will continue to do so.

General Grass, this is the first time this committee has held a nomination hearing for the Chief of the National Guard Bureau. We are doing so now because of last year's legislation making the Chief of the National Guard Bureau a member of the Joint Chiefs of Staff with the specific responsibility of addressing matters involving non-federalized National Guard forces in support of homeland defense and civil support missions. The Chief of the National Guard Bureau is also a principal advisor to the Secretary of Defense through the Chairman of the Joint Chiefs of Staff on matters involving non-federalized National Guard forces and on other matters as determined by the Secretary of Defense and also is the principal advisor to the Secretary of the Army and Chief of Staff of the Army and to the Secretary of the Air Force and the Chief of Staff

of the Air Force on matters relating to the National Guard, the Army National Guard of the United States, and the Air National Guard of the United States.

General Grass is currently serving as the Deputy Commander of U.S. Northern Command, the combatant command responsible for homeland defense and civil support missions to other Federal agencies and States in responding to natural or manmade disasters. In carrying out these missions, Northern Command relies on a well coordinated and collaborative relationship with the National Guard Bureau and State National Guard forces. General Grass is also the Vice Commander of the United States element of the North American Aerospace Defense Command, our bi-national command with Canada to protect the air space and maritime approaches to North America. And during your tenure at Northern Command, there have been notable improvements, General, in the authorities and the cooperation between the Defense Department, the States, the National Guard Bureau, and the Reserves on those civil support missions, and as a result, our Nation is in a better position to respond to emergencies.

So again, we welcome you all. You are extremely well qualified for the positions that you have been nominated to. Before turning to you for your opening statements, I will call on Senator McCain.

#### **STATEMENT OF SENATOR JOHN MCCAIN**

Senator MCCAIN. Thank you, Mr. Chairman, and I will join you in welcoming our nominees and appreciation to them for their years of service, as well as their family members who join them today.

If each of you is confirmed, the environment that you would face will be, as you know, uncertain and potentially volatile. While we are winding down combat operations in Afghanistan, we are also facing the most insidious range of threats the country has seen in a long time.

We are, however, also entering a period of declining defense budgets and lower mobilization levels for the foreseeable future. What this will mean for the Active and Reserve component mix, particularly within the Air Force, and how in this context the National Guard will maintain desired readiness are open questions. So, General Welsh and General Grass, your vision for the Air Force and the National Guard will be vital.

General Welsh, I also look forward to hearing how you plan to cultivate with the prevalence of what the Pentagon's acquisitions chief called "acquisition malpractice" and what the Deputy Secretary of Defense agreed before this committee was a culture of corruption, personal accountability in the acquisition process, starting with setting realistic and reliable requirements and continually addressing affordability across system lifecycles.

General Grass, the Air Force's plan under its fiscal year 2013 budget request is to cut almost 10,000 personnel and retire or realign various flying units is being challenged by some in Congress, including on this committee. I believe that the Guard and Reserve must accept and manage some level of force reductions as the active force is drawn down due to planned budget cuts and deeper cuts that may occur as a result of sequestration. I look forward to

your contributions to decisions regarding the inevitable military force structure reductions.

General Kelly, the scourge of transnational criminal organizations continues to wreak havoc throughout the Southern Command area of responsibility. Despite billions of dollars in investment, we have yet to make any meaningful or sustainable impact on the flow of narcotics and other illicit materials throughout the region and ultimately into the U.S. As you and I discussed yesterday, the best measure of how we are doing in restricting the flow of drugs into this country is the price of an ounce of cocaine in the street in any major city in America. That price has not gone up despite the billions of dollars of effort that we have devoted to it. And in my view—and we will pursue this more in the questioning—we are going to have to have a national conversation about drugs and the demand for illegal drugs in this country. In the meantime, I think you have got to start thinking outside the box as to how we can come up with innovative ways to restrict or at least dramatically reduce the flow of drugs across our southern border which is killing our young Americans—young and old.

To all our nominees, I would like your military opinions about the impact of sequestration. The Department of Defense has already been directed to cut budgets over 10 years by over \$550 billion and subject to another \$500 billion if Congress and the White House do not agree before January on a plan to avoid automatic budget cuts known as sequestration. Members of this committee, including myself, have been urging the Department to provide us with an assessment of how harmful these cuts could be to our military readiness, particularly if military personnel accounts are not exempted from sequestration, but the President has inexplicably maintained that he would veto any legislation that would repeal these cuts.

Just a few days ago, Air Force Chief of Staff General Schwartz observed that impending defense cuts could invalidate contracts, push the cost of weapons systems higher, and if not handled wisely, could turn the military into a hollow force. Specifically he said if these reductions are not done the right way, that is a possibility, maybe even a probability.

General Welsh and General Grass, if you are confirmed as statutory members of the Joint Chiefs of Staff, I will expect you, one, to bring to bear on the Joint Chiefs' deliberations your best military judgment on whether and how the Air Force and the National Guard respectively must prepare today for the draconian cuts required under sequestration; and two, to provide this committee with the benefit of that judgment. If you disagree with my expectation, I would like to hear it at this hearing. Negotiating the Department through this uncertain period will require sound and seasoned leadership. With this in mind, I look forward to your testimony today.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain.

Let me call first on General Welsh.

**STATEMENT OF GEN. MARK A. WELSH III, USAF, FOR RE-APPOINTMENT TO THE GRADE OF GENERAL AND TO BE CHIEF OF STAFF, U.S. AIR FORCE**

General WELSH. Thank you, Mr. Chairman.

Mr. Chairman, Ranking Member McCain, members of the committee, my wife Betty is with me this morning. She is sitting to my right in the blue suit in the front row. With her is her sister, Dr. Carol Horn; her friend, Mrs. Debbie Mueller, wife of Air Force Lieutenant General Steve Mueller; and then Mr. Steve Massey, another family friend who is a very proud Virginia native and a great patriot.

Betty and I have been married for 34 years, and I have always found our relationship fascinating because she needs me for absolutely nothing, and I need her for everything. She is the most beautiful, talented, intelligent woman I have ever known. She has raised our four great children, Mark, John, Matt, and Liz, while I wandered the world. She just rocks. And if you were confirming her this morning, the hearing would likely take about 5 minutes, but I am confident you will be a little more deliberate with me. Mr. Chairman, thank you so much for allowing her to be here.

It is a tremendous honor and a very humbling experience to be nominated by our commander in chief to serve as the Chief of Staff of the U.S. Air Force, and I would like to thank the President and to thank Secretary Panetta and Secretary Donley for their trust and confidence.

I would also like to thank General Nurdy Schwartz for his dedicated leadership of our Air Force for the past 4 years.

I believe that history shows us that times are always challenging government, and these times are certainly no different. But everyone who congratulates me on this nomination immediately mentions the significant challenges we face, and despite the difficult fiscal environment, I am very excited about the opportunity to work with you to find ways to reduce our deficit and to keep our Air Force trained, equipped, and ready to defend our Nation, its citizens, and its interests.

I will admit I am even more excited about the opportunity to lead the men and women who serve in the world's finest Air Force and to marvel at how they will overcome these challenges. Today and every day those airmen move people and cargo to every corner of the world. They conduct ISR operations for every combatant commander. They conduct lifesaving aeromedical evacuations for our wounded warriors and they bring our fallen comrades home to the Nation and the families who love them. They clear IEDs. They provide critical re-supply with tactical air drops and armed ground convoys. They deliver space-based communication, navigation, and missile defense warning. They fight shoulder to shoulder with Army, Navy, and Marine Corps comrades on the battlefield, and they patrol the skies above them, ready to respond when lives are on the line.

If confirmed, I fully accept the responsibility to stand beside Secretary Donnelly and lead all of those airmen, 690,000 strong, Active, Guard, Reserve, and civilian airmen who selflessly serve our Nation as part of an unbeatable joint team. Two very special leaders of that joint team are sitting next to me today. National Guard

soldiers and airmen alike are cheering the nomination of General Frank Grass, and General John Kelly is simply a great officer and leader who has sacrificed more for this Nation than most of us can even comprehend. It is truly an honor to be here with them.

Mr. Chairman, if you will allow a brief personal reflection as I close. I was born into a military family. I was blessed with the example of two grandfathers who served in the United States Army in World War I. My father was an Army Air Corps and then U.S. Air Force officer for 34 years. He served in three wars. He was the greatest patriot and the best Air Force officer I have ever known. And if he were alive, Mr. Chairman, you would have received a letter from him as both a proud father and a proud American thanking you for allowing his son the privilege of attending this hearing because this is a privilege.

Thank you, Mr. Chairman and members of the committee. I look forward to your questions.

[The prepared statement of General Welsh follows:]

Chairman LEVIN. Thank you so much, General. It was a very moving statement.

General Kelly, you are next.

**STATEMENT OF LT. GEN. JOHN F. KELLY, USMC. TO BE  
GENERAL AND COMMANDER, U.S. SOUTHERN COMMAND**

General KELLY. Chairman Levin, Senator McCain, distinguished members of the committee, I am honored to appear before you today as the President's nomination to command U.S. Southern Command. It is a privilege to join the other two fine officers on this panel, General Mark Welsh and Lieutenant General Frank Grass, both of whom I respect immensely and have had the pleasure of working with in the past.

I am joined this morning by my wife Karen who for 35 years has been my partner in everything I have done in service to this Nation. I certainly would not be here today without her. She has done so much and given so much over the years not just to the Kellys but to every military family she could touch. I am truly honored to introduce her to you today, and with all due respect to the other ladies, she is the best looking woman in the front row. [Laughter.]

I also want to mention briefly a few other of my family members who could not be here today: my precious daughter Kathleen, who spends her every waking hour caring for wounded warriors and their families at Walter Reed; my two daughters-in-law, Heather and Andrea, both crazy enough to marry marines in a time of war, both women of amazing substance and fortitude; and finally, our two sons, John and Robert, both marines, both combat veterans with multiple combat tours in the fight, both men of amazing character and bravery. I wish the five of them could be with us here today.

I would like to thank Secretary Panetta and President Obama for the honor of being nominated. I have been honored to work alongside Secretary Panetta for the past year and I sincerely appreciate the trust and confidence he and the President have shown in considering me for this command.

I would also like to thank this committee for the support it has provided our soldiers, sailors, airmen, marines, and their families

who serve our Nation every day here at home and overseas. I have personally seen the difference your support makes day in and day out for these heroes.

Mr. Chairman, for the past 3 years, General Doug Frasier has led the U.S. Southern Command with great distinction. His leadership and vision will leave a tremendous legacy which, if confirmed, I hope to build upon.

As you pointed out Latin America and the Caribbean is a region characterized by an array of both nontraditional security challenges and merging opportunities. No doubt there are any number of threats to our security, not the least of which are illicit trafficking particularly in drugs and their precursors and the spread and growing sophistication of transnational organized crime syndicates. Additionally, cyber and energy security, natural disasters, humanitarian crises, and malign influences from both inside and outside the region are challenges. Each of these, however, also presents an opportunity, allowing us to engage and cooperate and to partner with countries in the region.

If confirmed, I look forward to working with the men and women of U.S. Southern Command, as well as the dozens of civilian inter-agency partners, to continue the important mission of ensuring the forward defense of the United States by building strong, capable partners who share in the cost, the responsibility of safeguarding the hemisphere.

Once again, I am honored, humbled to have been nominated for this position and am grateful for the opportunity to appear before you today.

[The prepared statement of General Kelly follows:]

Chairman LEVIN. Thank you so much, General Kelly, for your statement.

General Grass.

**STATEMENT OF LTG FRANK J. GRASS, ARNG, TO BE GENERAL AND CHIEF, NATIONAL GUARD BUREAU**

General GRASS. Chairman Levin, Ranking Member McCain, distinguished members of the committee, it is an honor and privilege to be here today. I am honored that President Obama and Secretary Panetta nominated me to be the 27th Chief of the National Guard Bureau.

I am also honored to testify with General Welsh and General Kelly, two great Americans whose combined sacrifice and service spans nearly 8 decades.

I would like to take this opportunity to introduce my wife Patricia who has stood by my side throughout my career. My service in the National Guard would not have been possible without her tremendous family support as she raised our five children, Amanda, Joe, Laura, Patrick, and Mark. Over the past 12 years, our family has grown. We have the addition of a wonderful daughter-in-law, two wonderful sons-in-law, and eight beautiful grandchildren.

Mr. Chairman, over the past 4 years, General Craig McKinley has led the National Guard Bureau through a historic transformation. The National Guard's achievements could not have occurred without the tremendous leadership of previous Chiefs of the National Guard, directors of the Army and Air National Guard, the

Adjutants General, the senior enlisted, and most importantly, the sacrifice and commitment of the citizen soldiers, airmen, and their families.

Today I sit before you with full confidence that your National Guard is more ready, more capable, and rapidly deployable than ever before in our Nation's history and also ready to respond to disasters in our States, territories, and the District of Columbia. The past decade has also demonstrated that the National Guard is an operational force and a critical partner with the Army and the Air Force in all missions, all contingencies, and on the North American continent.

Today our Nation faces a challenging threat environment, one that is asymmetric and more dangerous than any other in history. These threats come in many forms. The citizen soldiers and airmen of the National Guard are skilled combat veterans and they will continue to provide value-added solutions to our National security.

If confirmed, I will work to ensure the capabilities gained since 9/11 are not lost and the investment not squandered. I will partner with the Congress, with the Army and the Air Force and seek counsel from our adjutants general so that the National Guard is always ready and always there.

To the men and women and families of the Army and the Air National Guard, I am humbled to be nominated as your Chief. If confirmed, you can know that I will be your strongest advocate.

I want to thank this committee for your support of the National Guard's most valuable assets, our soldiers, airmen, and their families.

Chairman Levin, Ranking Member McCain, and members of the Senate Armed Services Committee, I thank each of you for the opportunity to appear before you today. If confirmed, I am committed to working with this committee to ensure the National Guard forces remain a vital part of the best military in the world. I look forward to your questions.

[The prepared statement of General Grass follows:]

Chairman LEVIN. Well, thank you all. I only wish every American could have heard your opening statements here today. They are extremely powerful, moving statements.

We have some standard questions that we ask our nominees, and I would ask each to respond. In order to exercise our responsibilities, each of the questions that we ask—have you adhered to applicable laws and regulations governing conflicts of interest?

General WELSH. I have.

General KELLY. I have.

General GRASS. I have.

Chairman LEVIN. Do you agree, when asked, to give your personal views even if those views differ from the administration in power?

General WELSH. I do.

General KELLY. I do.

General GRASS. I do.

Chairman LEVIN. Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

General WELSH. I have not.

General KELLY. No, sir.

General GRASS. No.

Chairman LEVIN. Will you ensure that your staff complies with deadlines established for requested communications, including questions for the record in hearings?

General WELSH. I will.

General KELLY. I will.

General GRASS. I will.

Chairman LEVIN. Will you cooperate in providing witnesses and briefers in response to congressional requests?

General WELSH. I will.

General KELLY. I will.

General GRASS. I will.

Chairman LEVIN. Will those witnesses be protected from reprisal for their testimony or briefings?

General WELSH. They will.

General KELLY. They will.

General GRASS. They will.

Chairman LEVIN. Do you agree, if confirmed, to appear and testify upon request before this committee?

General WELSH. I do.

General KELLY. I do.

General GRASS. I do.

Chairman LEVIN. Finally, do you agree to provide documents, including copies of electronic forms of communication, in a timely manner when requested by a duly constituted committee or to consult with the committee regarding the basis for any good faith delay or denial in providing such documents?

General WELSH. I do.

General KELLY. I do.

General GRASS. I do.

Chairman LEVIN. Thank you.

Let us try 7 minutes for our first round today.

General Welsh, we have talked in my office about the budget of the Air Force for 2013, and that budget cuts proportionately deeper in the Air National Guard as compared to personnel reductions proposed for the active Air Force or the Air Force Reserve. Can you give us your view of that budget request?

General WELSH. Yes, Mr. Chairman. Thank you.

I think where we stand with the 2013 budget request is that clearly when that budget was presented to the Hill, it became obvious that we have gotten into a position where we have a proposal that is simply not executable. Now, I was not part of the discussions and the coordination that led to that. I did hear the Air Force briefing to our senior leadership about where there was a decision made on the actual ratios of force structure to be included, but I have no idea of the process to turn that into individual organizations' units and equipment.

Having said that, I think what matters the most today is how we move forward from here because we are in a place we cannot stay. However we move forward, it has to be together.

Now, I believe that there needs to be a more inclusive coordination process on the budget. Clearly we learned that this year. It has to include things like Title 32 requirements at the front end

of the discussion. It has to include better coordination and information sharing not just with the Air National Guard and the Air Force Reserve but with the National Guard Bureau and clearly the link between the National Guard Bureau, the Council of Governors, the TAGs has got to be energized in a more meaningful and productive way.

And so, Mr. Chairman, I would offer that, if confirmed, I will work very closely with General Grass and with our great Air National Guard Commander and our Reserve Director to help adjust this process so that we never end up here again.

Chairman LEVIN. Okay. Thank you for that.

General Welsh, let me ask you about a policy question which we ask in our prehearing questions, and it relates to European bases. And you indicated in your answer that we should consider reductions and consolidation opportunities in Europe and that planning must begin with a careful assessment of the enduring missions in Europe, but that you were willing to take a look at possible reductions and consolidations. I just wonder if you know going in of any possibilities, or you just want to go in there with an open mind.

General WELSH. No, Mr. Chairman. We have been looking at this for about a year. We have been discussing with the air staff the options that might be available. Some members of the Department of Defense have visited. We discussed options with them as well.

I think the most important place that I believe we came to at least an initial agreement on is the idea that there are some enduring missions that the United States needs to have the U.S. air forces accomplish in the European or African continents. And I think that enduring mission set is fairly easy to identify and I included that in my answers to the questions.

If we can agree on that enduring mission set, the debate can then center on the other requirements that the Nation may or may not have in Europe in the future. And I think that is a policy question. I think it involves both the executive and the legislative branches of Government. Our part actually is fairly simple once those questions are answered. It is to tell you exactly what is required and where it would be best situated to base the forces to do those types of things that America needs options to accomplish.

Chairman LEVIN. We are very much interested in the enduring missions, of course, and we also very much interested in the possibility of consolidations and reductions. We have got to make some savings and that has got to continue to be one possible location. So keep us informed on that, if you would.

General WELSH. I will be happy to, Mr. Chairman, if confirmed.

Chairman LEVIN. General Welsh, we had a number of sexual assaults in the Air Force in 2013. All of the services and the Department of Defense at that time beefed up their sexual assault prevention and response programs. Apparently, though, they have not had yet the desired effect because 12 military training instructors, for example, at the Air Force basic military training and joint base, San Antonio, Lackland, Texas have been accused now of sexual misconduct ranging from unprofessional relationships to rape with more than 30 female recruit victims. There are several pending courts martial which obviously we would not ask you to comment

on specifically. A lieutenant colonel squadron commander has been relieved.

But can give us your assessment of the Air Force's sexual assault prevention and response program at this time?

General WELSH. Yes, Mr. Chairman, I can.

I think you put your finger on it with your statement that what we have been doing is not working. It is not for lack of effort. In the Department of Defense, the Secretary, the Chairman, our Secretary and Service Chief in the Air Force, and the other service chiefs have been very vocal about this terrible crime, about ways to approach preventing it, about care for victims, et cetera.

We have done a lot of things to try and help over the last 10 years or so. We have institutionalized training at every level from accession training for officer enlisted to commander training at the wing commander level in the Air Force. We do annual refresher training. We completed bystander intervention training for the entire uniformed Air Force over the last 6 months or so. We have new special prosecutors. We have additional OSI investigators who specialize in investigating these cases. We have talked about it. We have had days in every unit in the Air Force to sit down and discuss it. Everyone is trying to do the right thing and figure out some way of stopping this, but the fact is we have not. In fact, we have not even reversed the trend.

Now, all those things are good things to do, but it is not enough. We have worked on victim care. We have worked on reporting. The one thing none of us have figured out how to do is stop the perpetrator before the crime.

And so, Mr. Chairman, I think there is a lot more work to be done here. The simple fact is the goal for sexual assault in the U.S. Air Force—and I am sure my comrades here would agree me and all our services—is not a declining trend. It is zero. We do not accept that there can be more than zero aircraft accidents in a year or zero suicides in a year. In this crime, the goal is zero. If you are a commander, if you are not a supervisor—or if you are a commander or a supervisor and you are not directly and aggressively involved in speaking up about this issue in your unit, then you are not part of the solution. You are part of the problem. And we have to get that institutionalized in our Air Force.

The other thing we need to do, Mr. Chairman, I believe is look at a series of things to attack that perpetrator side of the equation. Maybe it is better screening on entry into the service. I do not know if there is a tool that will allow us to help in that regard to at least identify the predators, but we should be looking for them.

We need to do better small group work, I believe, in our U.S. Air Force to better know the people we work closely, nearby. In U.S. Air Forces Europe, we have instituted a program to do that over the last several months. I do not know what the return on that investment is going to be, but the investment is very, very small. It is about an hour a month to just sit and get to know and care more about the people you work with day to day because I believe that the better you know the airmen around you, the better you will take care of them.

I think there are a series of things we need to do, Mr. Chairman, to address this problem. What I know is that we cannot rest on our

laurels. We have done a lot of work and we have made no difference.

Chairman LEVIN. Well, we thank you for that. It is a very thoughtful answer to an extremely important question.

Senator McCain.

Senator McCAIN. Thank you, Mr. Chairman.

General Welsh and General Grass, as you know, the Secretary of Defense has made it very clear that the effects of sequestration in his words would be catastrophic and damaging to our National security. A few days ago, General Schwartz observed that the sequestration could invalidate contracts, push the cost of weapons systems higher, and if not handled wisely, could turn the military into a hollow force.

Do you agree, General Welsh, General Grass, with those assessments of the impact of sequestration?

General WELSH. Senator McCain, I agree that the effects would be catastrophic. As an operational commander sitting in my current job, of course, I think just doing due diligence of operational activity in the field, that would be affected instantly by sequestration cuts. We have tried to look at what would be the impact, and even at the operational level, the impact is almost immediate just from the perspective training and readiness. If you assume a 14 percent budget cut across the board, which is what I am assuming as I look down the road, everything is affected. Our ability to provide ready, deployable units is affected. Our ability to keep airplanes flying and training specific munitions to support counterterrorism activity in either CENTCOM's or AFRICOM's AOR is affected. Our ability to train new air crews and RPA pilots is affected. And eventually, of course, every modernization program is affected in a major way, especially some of the key ones that we are going to rely so much on here over the next 10 to 20 years as we try and populate the force with new capability we need. And I think the trade space will become readiness and modernization. That is horrible trade space to be operating in.

Senator McCAIN. General Grass?

General GRASS. Senator McCain, I agree with Secretary Panetta, as well as Chairman Dempsey, that sequestration would be devastating to the Department of Defense.

Senator McCAIN. General Kelly, as we have discussed previously, one of the major domestic challenges we face is the flow of illegal drugs into this country, the majority of which comes from south of our border. We know that it has resulted in 50,000 Mexican citizens being killed in the past few years, the breakdown in law and order, the corruption. And that has extended throughout our hemisphere. It has destabilized some of the smaller countries in Central America. One of the cities I believe in Honduras is now the murder capital of the world. Is that correct, General?

General KELLY. It is correct, yes, Senator.

Senator McCAIN. And all of this can be traced to the flow of illegal drugs into our country.

I guess my first question is, do you think that it is a fact that given the cost of an ounce of cocaine in every major city in America is not any higher than it was 5 years ago is an indication that we

are not succeeding in restricting or reducing the flow of drugs into this country?

General KELLY. I agree with that, Senator. It might be the best indicator.

Senator MCCAIN. And so what is your proposal as to how we can—we know that in Colombia, Plan Colombia was a success, but overall it has not impacted the use of drugs in this country, and it is probably out of your and my area of responsibility. But does this not have a lot to do with the glamorization of the use of drugs, the acceptance in certain levels of our society that it is kind of the in thing to do? We see that in our media quite often in movies and television. Have you got an idea as to what we need to do to try to prevent this?

And by the way, before you mention that, would you not agree that the majority of the drugs still flow across the Arizona-Mexico border?

General KELLY. Senator, to your second point, absolutely. Most of the drugs that come into America from the south come out of the production fields mostly in Colombia, more so today or increasingly out of places like Bolivia, Peru as well. In fact, Peru has just overtaken Bolivia—correction—overtaken Colombia as the number one source of production of cocaine. The cocaine—about 1,000 metric tons of it a year starts its journey north to the United States mostly out of Venezuela by various means, fast boats, submersibles, and aviation. Most of that makes it way—

Senator MCCAIN. You might relate the anecdote about the submarine that you told me yesterday, the cost of a submarine being \$2 million and—

General KELLY. Sir, they build these submarines up in the smaller rivers in Venezuela primarily, some Colombia. It costs about \$2 million. All of it is off-the-shelf technology. It takes about a year to build. It takes about \$2 million to build it, and when it gets to Honduras and offloads to smaller vessels, which is the normal way through, they make about a \$250 million profit. And then they just turn around and do it again and again and again. So the profits are just astronomical.

But to complete the comment, most of it now makes it way to Guatemala, Honduras. It is then transshipped up through Mexico and across the Texas, Arizona border, particularly I think the Arizona border because of the nature of the terrain.

As far as the glamorization, where the real problem is in my estimation is—and if you ask anyone in South America, Central America, they will tell you the same thing. The real problem is in the United States. It is the demand problem. It is huge. It is astronomical. I think this country, if my numbers are correct—it costs America almost \$200 billion a year, the drug scourge. That is primarily in lost productivity but obviously law enforcement, rehab programs and what not. \$200 billion. I think we put something in the neighborhood of about \$26 billion in terms of domestic and international law enforcement to try to keep it from coming here.

There are huge amounts. Huge amounts. There are 1,000 tons or so that start its journey up here every year. Only—only—500 or 600 tons gets through, but that 500 or 600 tons is spread across America to every community, every city, and it costs us dearly. The

human capital alone is outrageous. So I think the demand is where the problem starts and frankly I think that is where the solution is.

Senator MCCAIN. And there is a very serious problem with corruption particularly in these small Central American countries.

General KELLY. Absolutely. As has been pointed out to me many times, Honduras, Guatemala, Belize, El Salvador—they have had to start to transition to using their military, which no one likes and certainly they do not want to, but to transition their military which are less corrupt and more effective in order to deal with the drug scourge because of the amount of corruption in their police departments, and frankly in their state houses and capitals.

Senator MCCAIN. My time has expired. Mr. Chairman, this is an issue that really is of some great importance from a national security standpoint, and I hope in the future we will be able to pursue this issue. The numbers that General Kelly just pointed out not only of drugs but the cost to the American people and taxpayers is really beyond calculation.

We look forward to working with you, General Kelly.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator McCain. Actually coincidentally the permanent Subcommittee on Investigations, which I chair, had a hearing a couple of days ago now looking at the money laundering that goes on between Mexico and the United States, how that money gets laundered after the dirty money is put in play here in the United States, smuggled to Mexico, gets into a bank in Mexico which is an affiliate of HSBC and comes right back to the United States through correspondent accounts with those affiliates of HSBC, a global bank. And I will not take more time to do it other than to recommend to folks like Senator McCain who have fought so hard in this area to try to stop this scourge to take a look at the way billions of dollars in cash are laundered each year.

Senator Lieberman.

Senator LIEBERMAN. Thanks, Mr. Chairman.

Thanks to the three of you for your service, for your opening statements which I agree with the chairman were very compelling. Frankly, your service and your opening statements and your testimony remind us—or me—why the U.S. military remains perhaps the only great institution in our society that continues to enjoy the respect, the almost total respect, of the American people and deserve it. And I thank you for that.

General Welsh, in your answers to the committee's advance policy questions, when you were asked about your priorities, I was quite impressed and interested that your first priority was—and I quote—continuing to strengthen the nuclear enterprise. And I wanted to ask you first a few questions about that.

I assume from that that you believe that the continued strength of America's nuclear weapons capability is a central part of fulfilling our responsibility to protect our National security.

General WELSH. Senator, I personally do believe that. More importantly from my perspective, it has clearly been the policy decision of the Nation that we want to maintain this capability, and the U.S. Air Force has been tasked with maintaining two-thirds of

that capability from a triad perspective. There has been a lot of work done in our Air Force over the last 4 years, as everyone on this committee well knows, to try and reverse a trend of seeming inattention and actual inattention in some cases to that mission area.

Senator LIEBERMAN. Right.

General WELSH. Many people, starting with our Secretary and our Chief, have had this as a clear priority and have stressed it repeatedly, and our Air Force has listened. We have made a lot of progress, but we cannot relax and pat ourselves on the back and think we are there because we are not. This is an everyday focus area for us and has to be.

Senator LIEBERMAN. So give us a little more detail on what some of the areas of seeming inattention have been or some people worried have been.

General WELSH. Senator, let me start with the practical perspective because that is where I am sitting now. In Europe, we have a tactical mission and we have a security problem that we deal with. We found, even though there were not major problems in the past in Europe with that particular mission set, there were a number of things that had just over time become less than ideal, if I could say it that way, equipment that had gotten old and there was no clear replacement plan, mission discussions that had gotten routine, focus on the particular mission set which was not what we were doing day to day with our operational crews that had become secondary to the war fight that was going on in the Middle East, understandable from a human perspective, unacceptable from an institutional perspective.

And so I think the actions that our Chief and Secretary have taken to refocus on this problem, to reorganize internally, to stand up Air Force Global Strike Command and organizations like the Nuclear Warfare Center that focus on the details required to keep discipline in all parts of this enterprise have been very, very helpful for us.

Senator LIEBERMAN. Some groups of citizens, respected citizens, including some retired military, have called in recent times to set the goal of the elimination of nuclear weapons and as part of that have suggested that the United States unilaterally could and should reduce the number of nuclear warheads that we have. I wanted to ask you to, if you would, give your response to those ideas.

General WELSH. Senator, my personal opinion is that the concept of reciprocity is very, very important in the deterrence business. I do not think we should unilaterally lower the numbers that have been recommended by groups recently.

Senator LIEBERMAN. Thank you.

One other question, General Welsh, about the F-35A Joint Strike Fighter. You have identified it as your top modernization priority. However, as we talk about the devastating impact of sequestration, I think we also have to acknowledge that the Budget Control Act has already put, if not devastating, very damaging in my opinion restraints on our military spending. The fiscal year 2013 budget proposal cuts almost 200 more F-35s from the 5-year defense plan.

I wanted to ask you, are you satisfied with the progress made by the F-35 program over the past year, and do you support the current program of record for 1,700 F-35As over the long term?

General WELSH. Senator, I will admit freely up front I have not been involved day to day over the last year with the progress of the program. I will tell you what I believe based on my assessment of the program as it stands today.

I am excited about the F-35 program because I believe the Nation needs it. As an operational commander, I know the threat is there that this will help us deal with. Just looking at a potential scenario in Syria, you can see the application of this weapons system very, very clearly as part of a joint team, not just as an Air Force effort, and it can enable other joint activities on the battlefield.

Our international partners—six of the seven principal partners are in Europe, and they are very excited about this capability and are relying on us to deliver, as is our Air Force. We are committed to this.

I am concerned about the program not just because of the Budget Control Act but because of the problems we have had in the program development to this date.

Senator LIEBERMAN. I agree.

General WELSH. Our manufacturing process, our assembly line is not up to speed and running to the level we had hoped it would be at this point in time, which means that we have not been able to build and deliver jets on schedule or on an accurately predicted cost. I think that that cost is a major concern. If we cannot clearly identify how much this airplane will cost to buy and to fly after we acquire it, then we really have no idea how many airplanes we can afford or how many we should expect to receive in a realistic look to the future.

And so I think pressure on the company, on the acquisition process internal to the Department is mandatory. We have to stay focused every day, and if confirmed, that would be a daily event for me.

I will tell you, sir, that I also believe that there are some good things happening. The aircraft that have been delivered that we have flown almost 1,900 hours on the Air Force variant of the JSF are performing very well in the test programs. The pilots are making comments like “dependable, a great performance.” So there are some good trends occurring. We have just started local area activity and local area operations to fly in the Eglin area to prepare for our upcoming training program, which we hope to start by the end of the year.

And I would just go back to the idea that if we continue this progress that we seem to be moving down toward, the production schedules are starting to meet the expected windows now. We have to continue this because I am excited about the airplane, sir.

Senator LIEBERMAN. Thank you very much. I am afraid my time is up. Thank you very much. Good luck.

Chairman LEVIN. Thank you, Senator Lieberman.

Senator Inhofe.

Senator INHOFE. Thank you, Mr. Chairman.

Let me repeat what has already been said. We appreciate so much the service of all three of you and look forward to serving with you.

General Welsh, if I do not run out of time, I do want to talk about the aging fleet.

And let me tell you how much I appreciate all three of you spending time personally with me in my office with the rest of them. I think that is more productive than these hearings. But I may want you to answer that question for the record.

On the C-130 avionics modernization program, it has been very popular by all segments right now. We have had three of the four committees supporting this in their early markups. General Schwartz had said the Air Force C-130 AMP provides military capability equal to or greater than the alternative programs and at less cost than those programs.

Now, I know that in the President's budget that they have terminated this program or not necessarily terminated it but they talk about the C-130 AMP program light. It is my understanding—and I have gone into this and looked at it—that there are a lot of considerations that were not made in that evaluation. For example, the light program does require to have a navigator on board. If we were to find that the C-130 AMP program can be acquired actually cheaper than the C-130 light program, would you support that?

General WELSH. Thank you, Senator. I will tell you that I was not involved in the discussions related to the AMP program or the adjustments to it. So I cannot speak for the Secretary or the Chief on the decisions they made.

My general understanding of it is it was part of meeting the Budget Control Act discussions where they made some very tough choices of what could go versus higher priority things—

Senator INHOFE. Okay, yes. What I was getting at, though, is in the event that it turns out that the program is less expensive than the light program, I would ask that you—you can do that for the record, if you want to. Just let me know what your feelings are.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator INHOFE. And also for the record because there would not be time to get it to you would be the JSTARS program. Again, quoting General Schwartz, he says notwithstanding the AOA, we will continue with the combination of the JSTARS capability on the block 4 Global Hawk. I would like to have you for the record give us your opinion and evaluation of that program, if you would do that.

[The information referred to follows:]

[COMMITTEE INSERT]

General WELSH. Yes, sir, I will. Thank you.

Senator INHOFE. The chairman in his opening remarks, General Kelly, talked about the train and equip program, and I would add to that what I would call the CERP. I think they have renamed that the CCIF program, the 1206 train and equip IMET program. I mean, that is a big thing in the area where you are going. As a matter of fact, I think in Costa Rica, the defense minister is a product of our IMET program and he has been talking about this.

At the same time, I am happy to say that we have taken a different look at this than we used to. We used to consider we are doing a favor to these countries when in fact they are doing a favor to us. We know that China is involved in the area where you will be going in. So is Iran.

So I would like to have you give your opinion of that program, what your plans are for the IMET program in the areas where you are going.

General KELLY. Senator, I think any program—

Senator INHOFE. And train and equip, yes.

General KELLY. Yes, sir. I think any program of that nature that broadens and deepens the relationships with partner nations' mil-to-mil contacts in that part of the world or in any part of the world—you get a lot of bang for the buck out of that. And to the degree that I understand the issues, certainly to expand those programs throughout the region—

Senator INHOFE. Yes, okay. And I agree wholeheartedly with that. You know, once these relations are developed, they do not end and they are always there.

Now, you are going to have GITMO in your area. Have you had a chance to spend some time and look and evaluate the opportunity we have with that resource, which I might say is the best bargain that we have? We pay \$4,000 a year and half the time they do not even collect it.

General KELLY. I have certainly not traveled there recently, not being confirmed. Obviously, Senator, one of the first things I will get intimately involved in, if confirmed—

Senator INHOFE. Okay, that is good.

General Grass, we talked in my office about the State Partnership Programs, and we know there has been a GAO problem with that. In fact, I have read that and I agree that changes need to be made. Have you thought through, first of all, your evaluation of that program and how you are going to overcome some of the problems that are there that were called to our attention by the GAO?

General GRASS. Senator, while I served in EUCOM, I worked the program very closely with the European Command both with U.S. Air Forces Europe and U.S. Army Europe and tremendous value from that program. And I think as we talked, one of the things that have come out of that is additional forces from NATO countries, and where we have partnered National Guardsmen, Army and Air, to fill out shortfalls in other countries, especially in the Balkans and some of those countries that wanted to deploy. By providing that additional skill set, we have partnered and provided additional forces to EUCOM. For a very small amount of money, it has been a tremendous program around the map, 64 countries today.

We have one partnership in Northern Command that I work with and that is with Rhode Island and the Bahamas. And the enduring partnerships and relationships we build—and many of our captains, majors will grow up to be colonels and generals in the National Guard. And their partners in partner nation will do the same. So that relationship—we have celebrated the 20th anniversary—will endure. So it is definitely money well spent.

Senator, one thing I think that we have to look at very closely and, if confirmed, I will do is to take a look at how that money is

being spent and make sure that every penny that we put into that of taxpayers' dollars is spent toward a result.

Senator INHOFE. Well, my time has expired, but for the record, I would like to have each one of you write and give an evaluation or answer the question because I have been deeply disturbed, as have other members of this committee, on the use of the military for other agendas such as the green agenda. And we have our jolly green fleet on its way out there now. But do you think that spending \$424 a gallon, as the Navy did, for 20,000 gallons is in the best interest of our Nation's defense and in the Air Force, \$59 a gallon for 11,000 gallons? All of this could have been done for \$3 a gallon I might add—and also the \$27 a gallon for 450,000 gallons. Is this something that should be done in the military or perhaps would it be better done in the Department of Energy? As I understand, that is what they are supposed to be doing.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator INHOFE. Thank you, Mr. Chairman.

Chairman LEVIN. Thank you very much, Senator Inhofe.

Senator Reed.

Senator REED. Well, thank you very much, Mr. Chairman.

I want to thank and commend all you gentlemen for your extraordinary service to the Nation and the service of your families because, as you recognized, you could not have done it without their unflinching day in and day out support.

I want to particularly recognize General Kelly. I have had the privilege of knowing this great officer for many years. No marine, no family has made a greater contribution to the defense of this country than the Kelly family. I recall when you were sort of shepherding folks around here on the Hill and then being with you when you commanded forces in Anbar Province, then your role recently as an assistant Secretary of Defense has been absolutely vital. And I know Secretary Panetta deeply appreciates your contribution.

So, General, good luck. I think you are going to do a great job. The only thing I anticipate is that your mastery of Spanish will always have a slight Boston accent. [Laughter.]

But that is okay.

General Welsh, again thank you for your service.

I want to mention a program that is emerging and get your viewpoints. That is the association program between regular Air Force units and Air National Guard units. I think this has great potential in terms of the force structure issues you are going to face. We have in Rhode Island the 143rd, which I believe is the best C-130J squadron in the U.S. Air Force, regular or National Guard, and they are scheduled to be part of this. But it might be appropriate, particularly in the context of budget pressures, to begin thinking even moving forward with this association. It seems to be cost-effective, and also it will pool the talents of the Air Force in a way that might be unique to the Air Force because the difference between—you know, someone with 5,000 hours in the Air National Guard and 5,000 hours in the regular Air Force flying C-130Js is not much of a difference.

Can you comment on your views on this association project going forward?

General WELSH. Senator, I agree with you and I think the Air Force as an institution agrees with you. I have been in numerous discussions over the past year to year and a half in my current job during visits to the Pentagon where either the Secretary or the Chief of Staff of the Air Force has made the same comment. We have to look at associations as a solution to a number of things moving forward. It is not just cost. It is also developing young aviators in the different weapons systems at a more rapid pace than we can always do in an active duty squadron. It is a way of augmenting capability for forward deployments. There are a lot of pluses to this, Senator, and I think every time we have either a unit stand up, a unit restructuring, a force structure change, that part of the consideration ought to be the association.

Senator REED. Let me sort of open up a broader topic and that is you have a situation down at Lackland Air Force Base now which has revealed disappointing—and that is being very mild. I know you are troubled by it, very much so. We would like to think this is an aberration, but are you looking closely at sort of the culture of the Air Force in terms of the—because of all the services, it seems to be the one that is much more specialized early on where young enlisted personnel, young officers go into very sophisticated specialties, meteorology, flying jet aircraft, et cetera, and that the ability to sort of—and the organizational supports for the basic command issues and troop leading issues sometimes are not there because if you are going to be a meteorologist, you are really not going to command as a young lieutenant 30 or 40 people. You are going to be working with other experts usually senior NCO's.

Do you think about that in a systematic way about whether there are some issues that you have to address that are fundamental?

General WELSH. Senator, I believe we have tried to. As I said before, however, our projection just for this year is roughly 600 reported sexual assaults. So what we have been doing is not working. We have to look differently at the problem in my view. And this certainly is not a matter everyone not trying hard.

Senator REED. Yes, I know.

General WELSH. The incident at Lackland clearly from just the little I understand, which is what everyone else has read in the newspaper, is horrible. It is completely unacceptable for any institution, not just for the U.S. Air Force.

I do not believe the Air Force has a unique problem with this crime, but we do have a different environment than the other services. And I think each of us needs to look at that environment and how it is impacted and whether it presents an opportunity for something to get at that predator part of this, the perpetrator problem, as opposed to the others, which I think we have worked hard at and made some progress, the reporting and the victim care. We will never make enough progress, but we are at least moving in a positive direction there. And so I think you are right. I think every environment needs to be looked at.

The specific you mentioned, General Ed Rice at Air Education and Training Command, as soon as he knew about the problem,

has very aggressively done exactly that. He started a commander-directed investigation into the specific problem, brought in an outside commander-directed investigation to look at the larger cultural problem with that particular training organization, which spans all the specialties before they actually go to specialty training. And so, Senator, I agree with you. We have to try anything we can.

Senator REED. Well, I think you put your finger on the issue of predator because that is absolutely contradictory to what is the essential, I think, aspect of the American soldiers, airmen, sailors, which is selfless service and complete and utter dedication to your subordinates, not exploitation of your subordinates. So that is a lesson that every service can learn.

So thank you very much, sir.

General Grass, congratulations. I am glad that you mentioned that Rhode Island has a relationship with the Bahamas. General McBride and I were trying to figure out yesterday which one of his very astute predecessors figured out it was necessary to mentor the Bahaman forces in the middle of winter each year. We could not figure it out. But thank you for that.

Your responsibilities on the Joint Chiefs of Staff are addressing matters involving non-federalized National Guard forces in support of homeland defense and civil support missions. So these are really the State elements of the National Guard that have not been federalized.

As you approach this task—and you are sort of a groundbreaker. This is months into this new responsibility. Do you see this as an essentially two-way street where you will be talking to the TAG's about what they have to do with State resources to enhance their non-Federal activities rather than just simply reporting back to the Joint Chiefs and saying, you know, they need more help or they need this and they need that?

General GRASS. Senator, first of all, because of the Chairman of the Joint Chiefs' position—of course as a principal advisor to the Secretary, as well as the Chairman, I have to have a very close working relationship, as also with the Chief of Staff for the Air Force and Chief of Staff of the Army and Secretary of the Air Force and Army. And what I bring to the adjutants general is an understanding of what is happening inside the Federal Government, inside the Department of Defense. From the State perspective, I need to be able to understand what needs the States have to be able to respond to fires, floods, tornados, and be able to come together with our partners within DOD and find a balance.

I just met with the Council of Governors on Sunday and we talked a little bit about this. And we will be pushing and working very closely with the States to understand their requirements in the homeland, especially working with FEMA.

Senator REED. Well, I think that is entirely appropriate. Given what we are all talking about, the budget limitations of the Federal Government, as you identify gaps in particularly non-Federal functions of the National Guard, there seems to be also at least the opportunity to talk about how States might, with their own resources, begin to fill those. And I suspect you are going to at least do that.

General GRASS. Senator, in our current assignment out at U.S. Northern Command, we set on a path about 2 years ago to estab-

lish a chemical, biological, nuclear, radiological capability across the Nation. Part of that path that we were directed by the Department of Defense to put together was more regionally based. We have learned a lot from that, and it is in forming now regional plans and State plans at a level we never dealt with before.

Senator REED. No, I think you are going to play a critical role, and you are sort of the pioneer. So good luck and thank you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Reed.

Senator WICKER.

Senator WICKER. Thank you, Mr. Chairman.

Gentlemen, thank you for your service. Thank you for your excellent testimony already. Thank you for referencing your families. We appreciate their service too.

General Welsh, congratulations on being nominated as our next Chief of Staff. You have experience as a commander in both Europe and the Pacific, 1 year at Kunsan I believe—

General WELSH. Yes, sir.

Senator WICKER.—as wing commander.

DOD has announced a new strategic guidance encapsulated as “pivot to the Pacific.” What do you think this pivot to the Pacific strategy will mean for the Air Force?

General WELSH. Senator, I believe what it means to us is there is a new strategic focus on the Pacific, meaning that our Air Force planning for capabilities to respond to combatant commander support needs to be focused on the Pacific first without forgetting the activity in the Middle East which remains a focus area as well. I think it means that we have to start looking at things like development of combat capabilities to include weapons, to include tactics where we operate to a greater degree in coordination maybe with the U.S. Navy than we have in the past because of the battle space that you would anticipate for events that would occur in the Pacific. It has been clearly a Navy battle space for a long time with a very strong Air Force presence in Korea. We have to add the same air capability to support activity throughout the region of Pacific Command, and I believe we have already started down the road of making that integration and training possible and practical with the force structure we currently have. We have to continue to modernize in that direction.

Senator WICKER. Changes in basing, changes in movement of Air Force personnel?

General WELSH. Senator, I do not know right now. I have not been involved in actual basing discussions on the Pacific. I know that Pacific Air Forces is actually doing the same thing we have been doing in Europe, but with the focus of ensuring we do not lose combat capability in the Pacific. We have been looking from the other perspective of trying to maintain a partnership while looking at opportunities for reduction and consolidation wherever possible. And so if confirmed, I will be very involved in those discussions and will look forward to discussing the options with you.

Senator WICKER. Thank you.

Let me be specific about one recent development in the Pacific Command. I understand that Pacific Command has—recently you requested that the Global Hawk currently in theater not be re-

moved for retirement. Now, as late as a few months ago, Secretary Carter told this Congress and the world how essential this program is and the decision was made at some point to reverse that.

Notwithstanding your answer supplied, your written answer supplied, that the current requirement for high-altitude ISR is being satisfied with the Air Force's fleet of 27 U2 aircraft and its advanced multi-intelligence sensors, does the Pacific Command's request not imply that our U2 fleet is not entirely sufficient to meet all the combatant commander requests for ISR support from the U.S. Air Force?

General WELSH. Senator, the decision on meeting the requirement with the 27 U2s was based on the JROC-approved requirement for high-altitude combat air patrols, which was three. The Air Force budget position was that the U2 fleet could meet that requirement. The Chief of Staff of the Air Force within the last week has decided that we will not remove the Global Hawks at this time from either the Pacific, Europe, or the Middle East until we have had a chance to take a look at the mitigation strategy for replacing that lost combat capability as soon as you start to pull the airframes out.

Senator WICKER. Who made that decision?

General WELSH. Sir, I believe it was the Chief of Staff. That was where I heard the direction come from.

Senator WICKER. Well, I hope you will continue to work with me and with the committee to give us as much detailed information as you can about that.

Let me move to a general question. I am told the Air Force has requested a total of only 54 aircraft in this year's budget and that to look at this situation historically, the last time this small a number was requested before the birth of the Air Force was before the birth of the Air Force, before the Army Air Force, before the Army Air Corps and before the Army Air Service. Is that correct?

And also, the Air Force has retired or requested to retire almost 600 aircraft in the last 4 years.

Should this committee be concerned about these facts? And do I have them correct?

General WELSH. Senator, you are close. I cannot specifically state the exact number, but you are very much in the ball park on those numbers.

I think we should all be concerned about that. I think it is a fact of life. As we look to reduce force structure to make cost savings, we are going to have to try and modernize the force in some way, which means we have to reduce some of our force capacity in order to provide the funding to do that.

I think the big issue for the Air Force is that as we move forward, for example, if I am confirmed, I believe one of my principal duties is to tell the Air Force story in a way that is not couched in Air Force blue. Our story is about supporting the combatant commanders and supporting the Nation in its goal of national security. I think over time, if you have the U.S. Air Force producing fewer aircraft per year than the other services, which is happening over the next few years, then we may have the balance wrong. It is incumbent upon us to make that clear if that is the way we feel,

and if confirmed, I will make that a principal responsibility of mine.

Senator WICKER. Well, thank you for that answer.

One final area. We have 10 C-130J aircraft at Keisler Air Force Base in my home State of Mississippi. The Air Force budget proposes to move these from Keisler. In that case, Keisler would be left without a flying mission.

Now, we have spent considerable taxpayer dollars on infrastructure at Keisler. I do not know how involved you have been so far in this, but I want you to tell me what you know about it and if you cannot, get back to me on the record. What business case analysis has been done to support the recommendation to transfer C-130s from Keisler to another Air Force facility? And what do you say to the significant infrastructure in place at Keisler to support these C-130s, including state-of-the-art simulators, et cetera? And what does that say about the stewardship of our taxpayer dollars?

General WELSH. Senator, I can tell you nothing about the discussions that resulted in Keisler being identified for loss of the C-130s. I was not part of the discussions. I just do not know. I would be glad to take for the record, though, that information and get back to you after consulting with the air staff.

Senator WICKER. Okay. Well, I will look forward to that, and thank you very much.

[The information referred to follows:]

[COMMITTEE INSERT]

Senator WICKER. I look forward to working with all three of you. Chairman LEVIN. Thank you, Senator Wicker.

Senator Nelson.

Senator NELSON. Thank you, Mr. Chairman, and let me add my congratulations and appreciation to all of you serving so well in our military and to your families, thank you very much.

General Welsh, currently there is progress that is being made toward constructing a new command and control complex for U.S. Strategic Command with military construction funds requested by the President and authorized and appropriated by this Congress for the fiscal year 2012. The mission of STRATCOM is at the forefront of our national security as the command and control of our nuclear enterprise which you have identified as your number one priority. STRATCOM plays an important role as America complies with the New START treaty, among other things. It is imperative that our nuclear command and control node have all of the support and resources it needs to carry out its missions.

The entire project has been authorized, but because of the nature of this project, the Defense Department will have to request phased or incremental funding and the Congress will need to annually appropriate those incremental construction funds until the command and control center is complete. This will require more than 1 or 2 years.

We have already talked about the constrained budgets, facing a sequestration. Hard choices need to be made within the Department of Defense, and I know this has been and will continue to be a hard choice. But I also believe that our projects for this mission for cyber, missile defense, nuclear command and control—these threats will not likely dissipate.

Can you speak to why a new STRATCOM headquarters continues to be a priority for the Air Force, as well as a part of joint command effort that is imperative for our National security?

General WELSH. Thank you, Senator.

As you know, the Air Force has been supporting the development of this project. If confirmed, I will continue to do so. I do think the command and control capability that this will provide General Bob Kehler and, by extension, the Secretary of Defense and the President and the Nation is absolutely critical to national security particularly because of the nuclear mission that they oversee but also in other ways: the ability to command and control space operations, the ability to develop cyber activity and a way forward in that arena and monitor it when required through U.S. Cyber Command. I think all of those things drive this requirement and I believe I am fully onboard with this one, Senator.

Senator NELSON. Well, I appreciate that very much. I know my colleagues, those who are still here, are probably tired of hearing me say it, but you cannot fight cyber warfare with drop cords. You have to have this kind of a structure that is more than a building. It is a warfighting machine with the high technology that will be included within it, high technology that others would like to track for their own use in other countries. And of course, the cyber terrorists who would love to be able to do it. That is why it is more than just simply a building. Would you agree with that?

General WELSH. Senator, I would agree with that.

Senator NELSON. Thank you.

Lieutenant General Grass, in the years following the Cold War, our National Guard became, as we spoke yesterday, woefully under-resourced. It was treated as sort of a secondary force, supplemental, not an Operational Reserve. In the buildup during the wars, obviously we found out how woefully under-resourced it was and we have made giant strides towards correcting that under-resourcing.

Now that we are in a position where we are winding down certain functions because of the winding down of Iraq and ultimately Afghanistan, we do face with resourcing a critical point of whether or not the Guard—the Reserve as well, but the Guard in particular—will have the kind of resources necessary to remain the kind of operational Reserve that it has become rather than mothballed into a supplemental force.

Can you give us some assurance that you will do everything sitting at the table to make certain that the Guard does have the necessary resources to remain capable of the role that it has now achieved and is operating in?

General GRASS. Senator, because of our dual mission, both homeland, as well as being prepared to support the Army and Air Force around the world, we do want to continue to maintain that edge. And a lot of investment has gone into the Army National Guard and the Air National Guard in the last 10 years. So we do not want to lose that. Part of that will be working with the services to find the right balance, both from the homeland perspective as well as the overseas mission. Part of that will be getting back into some very innovative training opportunities, and some of that may be

supporting the combatant commands as we did 20 years ago and 15 years ago before the wars started.

So I am committed to you, sir. Senator, if confirmed, I can assure you I will make this a top priority to retain the great Air and Army guardsmen today.

Senator NELSON. Well, it is critical in both homeland security, homeland functions in terms of natural disasters. As a former Governor, having called out the Guard on more than one occasion and having had it respond admirably under the late Adjutant General Stanley Heng, I am one who knows how important personally that function is.

I was also distressed with the call-up of the Guard in, first, Afghanistan but then in Iraq to find that many of our transportation units from Nebraska faced inadequate resources at the time. Parents were buying walky-talkies from various stores, sending them over to their sons and daughters to use because they lacked the capacity to communicate in cargo trucking caravans. So it is something that simple but something that essential that we need to just simply continue to know that it cannot be under-resourced for national security any more than it can be under-resourced for homeland security, including natural disasters.

So I am very much aware of your commitment to that and I appreciate your stating it to us all here today.

And, General Kelly, I know as you go forward in this new responsibility with SOUTHCOM, you are going to be facing not simply drug situations, but violent extremist organizations and the growing engagement of Iran in the region. We have always got concerns about the Iranian Revolutionary Guard corps and its efforts to expand their influence not only in the Middle East. Containment has not been possible, but they have also found their way into your area of responsibility. I know General Frasier has detailed the regional activities of Hezbollah.

Can you speak to your views on the increased presence of Iran and Hezbollah in SOUTHCOM and what you believe you will face and what kind of resources are you going to need to be able to fight these extremist groups?

General KELLY. I can, Senator. It would appear to me that Iran is on the march in many parts of the world, South America, Caribbean, Latin America, no different. Over just the last few years, they have expanded the number of embassies they have in that region of the world. They have quadrupled, I think, the number of cultural centers that represent the Islamist point of view, certainly the Iranian point of view. I think you know this, that the president of Iran has become very close with the president of Venezuela.

What we see right now is their desire to broaden and deepen their relationships with several others countries in the region. Unfortunately, it has been our experience I think around the world that where Iran goes, so goes the Qods Force, so go terrorism. Obviously, we have to be very, very careful in watching that. And I know General Frasier has got this on the front of his screen.

Senator NELSON. Well, we are faced right now with the president of Iran and President Chavez, two peas in a pod. What we have to avoid having is it become three peas in a pod through their ex-

pansion activities in South America and the Central American region as well.

So good luck. I appreciate it very much. And thank you all, gentlemen, and best of luck to all of you.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Nelson.

Senator Brown.

Senator BROWN. Thank you, Mr. Chairman.

Obviously, it was a pleasure meeting all of you in my office and discussing issues. So I am not going to repeat those concerns.

And certainly, General Kelly, it is good to have a Massachusetts native and it is good to see you anyway. And your sacrifice and service to our country is very, very well known and appreciated back home in our State, as you both know.

Obviously, General Grass, you know, being on the Joint Chiefs now, it is something we all worked collectively on this committee to make sure happens so we could find that good balance to make sure that the Guard was properly represented especially because of the yeoman's work they do in not only homeland but, obviously, when they are mobilized.

A question to you, General Grass. The State Partnership Program is something that I have not only participated in as a soldier by going to Paraguay and serving there, but there are many other Senators who have relationships through their States. And the State Partnership Program—is that something you plan on continuing to support?

General GRASS. Senator Brown, I am a strong supporter, and as I mentioned earlier, working with European Command back in the mid-2000s, I had 21 countries in European Command and seven at the time with AFRICOM that we worked closely with and saw the value every day, saw the relationships that were built over the last 20 years especially in what used to be Eastern Europe during the Cold War. So I am a very strong supporter, and I think if you look at what we spend on that program as a Nation, the benefit we get is tremendous. So I definitely plan to support it.

Senator BROWN. Well, thank you. You can certainly count on my support as well.

And, General Kelly, the same question. Obviously, there are States that participate in the State Partnership Program, obviously, in the area of command that you will be responsible for. Is that something you also plan on supporting?

General KELLY. Absolutely, Senator. There are 31 countries in Latin and South America, and there are 25 partnerships. It is not only your State, of course, with Paraguay. New Hampshire is associated with El Salvador I believe. South Carolina—the Secretary, when we were down with him a couple months ago, announced that they would start to develop a relationship I believe with Brazil. So it is a tremendous force multiplier, particularly in a place like SOUTHCOM.

Senator BROWN. Great. Thank you.

And, General Grass, I would like to go back to you. Obviously, sexual assault is something that is very important in the military. It is something that is a problem. I know in the Guard, we have,

I think, made some real strides recently to address it. What are your plans to deal with sexual assault in our Guard in particular?

General GRASS. Senator, it is extremely important to me not just as a leader but as a father that we treat every service member with respect. And we have a unique issue in the Guard because of the dispersion in small town America, 2,700 armories across the Nation. And some of our servicemembers who have problems may not be able to be reached early and provide the right treatment and the right counseling. I know you have done some great work already in that area.

And my goal is, if confirmed, to go in and take a serious look at this within the Guard and determine what resources we need and if we are adequately addressing the problem.

Senator BROWN. Thank you. And as you know, there has been a real effort, obviously, with General McKinley in this and really dropped everything over the last couple of months to come up with a plan. And I think that is a good plan, and I would look forward to making sure that you have access to that plan and get your blessing and support on it.

Also, I have heard that there is a potential about cutting drill pay for members of the Guard and Reserve as a way to help reform the Reserve component pay structure. I would just ask you to look long and hard at that because a lot of the time spent in the armories, as you referenced, around our country for the flag, as you know, is always done without getting that pay is something I think will be a deterrent for our Guard and Reserve to serve. So I just want you to be aware of that. It is something I am aware of and I would ask you to take a look at it.

And, General Welsh, touching base, obviously, with cybersecurity, as was referenced earlier, I think and I think you and others believe that we are not only in that battle now, but there is more coming. That being said, Hanscomb Air Force Base, I think, does it better than nowhere else in the country. We have the brain power, the technology, and the advancements with MIT and others, with Lincoln Labs wanting to participate and upgrade.

And I would only ask—you are aware of that. We spoke about it. I would only state publicly I would ask that you give that base proper consideration when looking to expand that effort because I think you are going to get a good value for your dollar. You are going to get the best brains, I think, in the country out of MIT, Harvard, BC, Worcester Polytech—I could go on and on—to address that very real concern.

But to shift gears for a minute and to kind of build off what Senator Lieberman said about the IOC date for the F-35, when do you think we will actually have one?

General WELSH. Senator, the plan right now from the Air Force is for the Commander of Air Combat Command, by the end of this calendar year, to come forward with a set of criteria approved through the Chief and the Secretary and coordinated within the Department of Defense that will outline the event-driven criteria for IOC. Associated with that should be a general timeline. I doubt if he will come forward with a specific date because it will have to be event-driven at some point. But you should expect to see something by the end of this calendar year.

Senator BROWN. What is the current Air Force fighter shortfall? Do you know that?

General WELSH. Sir, are we talking about pilots or aircraft?

Senator BROWN. Aircraft. I am sorry.

General WELSH. I think when people talk about the current shortfall, they are addressing a shortfall versus the actual operational plans from the different combatant commands. A lot of this is based on modernization timelines, airplanes timing out over the next 5 to 10 years, and that is what the discussion has focused on. The 2013 budget was an attempt in one way to try and ensure that we knew clearly when capability would phase out and other capability would be available to prevent dropping below the required level.

Senator BROWN. So let me just interrupt and say, so in layman's terms for those folks in the audience and those listening, are we okay in terms of our pilot and fighter aircraft as of right now with all the conflicts we have and any anticipated conflicts that we may have. Do we have enough fighters and fighter aircraft to do the job?

General WELSH. Senator, I think we have the right numbers today. We do have a concern about fighter pilot production and absorption into the fighter community. It has to do with numbers of cockpits available to train new pilots in. We are working that very aggressively. By the way, this is something that the total force is a clear part of the solution for and has been included in the planning since day one.

Senator BROWN. Great. Well, listen, I look forward to being honored to vote for all of you. And I know we are in good hands. Thank you.

Chairman LEVIN. Thank you, Senator Brown.

Senator Begich.

Senator BEGICH. Thank you very much. Congratulations to all of you for being nominated and your service to this country, and I greatly appreciate the time you are taking here going through a hearing of this nature. So thank you all very much.

First, General Welsh, we had a great conversation I think yesterday, a lot of conversation about Alaska and some of the concerns we have up there. I just want you, if you could, to describe for the record. As we continue to move to the Asia-Pacific kind of posturing and what that means and how you see Alaska's role in that in the sense of its assets that we have there, but also if I can add a little bit additional and that is the Arctic and how that plays. So give me your thoughts.

As a matter of fact, I met with some air carriers this morning about their freight traffic, and they talked about Anchorage as an important piece and Fairbanks, obviously, how important that is for their business. But from a military perspective, as we again move to the Asia-Pacific posturing, give me your thoughts on the Alaska assets and the value or what needs to be done or not or what your thoughts are there and then the Arctic, if you could add that to the discussion.

General WELSH. Thank you, Senator.

In so many ways, geography still matters in a major way.

Senator BEGICH. You cannot move land.

General WELSH. No, sir.

You know, as well as I do, that when our air forces are forward deployed, they serve as component commanders for the air part of the combatant commanders' array of forces. Admiral Sam Locklear in Pacific Command is very clear that Alaska and the Air Force forces stationed there, along with the Army forces stationed there, are critical to his posture for the Pacific theater.

Now, there is a reason we have our newest fighter based in Alaska. There is a reason we have tanker airlift stationed in Alaska, a tremendous tanker unit by the way. There is a reason we have tactical airlift, rescue forces, command and control aircraft. Geography matters. So from that perspective, clearly Alaska is a very valuable platform for the U.S. Air Force.

The other thing that matters in a big way to me as a chief of service, if I am confirmed, is training air space. It is treasure to us, especially as we go to new generations of aircraft that need more space to operate in and tactics involve larger spreads between aircraft and different types of scenarios. The range complex in Alaska, as you know, is phenomenal.

Red Flag Alaska gives us the opportunity to do another thing that is very important to me as a capability provider in the future, if I am confirmed, and that is to bring partners together. I had a meeting about a week and a half ago with the Polish air chief, his Polish F-16 unit. They just returned from their first trip to Red Flag Alaska, and he wanted to come tell me how much they enjoyed it and how valuable it was as training for them and also asked my support in getting other newer member nations from NATO to consider doing the same thing. And as you know, there are several who we have invited as an Air Force.

So lots of things are positive about the State of Alaska from an Air Force perspective, Senator.

On the Arctic issue, I am not an Arctic expert. The one thing I do know just from the NATO look at the Arctic in Europe and my air commander job there is that one of the problems we have is where do you train for Arctic warfare. Where do you test equipment for operating in that environment? Alaska clearly again provides us a great opportunity to do that.

Senator BEGICH. Very good. Thank you very much. And for those folks from Poland and others that have those F-16's, you know we have some great F-16's in Fairbanks Eielson. I will just leave that there for now.

General WELSH. I have heard that, sir.

Senator BEGICH. And you have heard that.

Let me ask, if I can, for you and General Grass—and you kind of mentioned it regarding the 168th Air Force refueling wing. You know, this is busiest in the Northwest. It is an incredible, as you said, and important asset just because of where it is located and the value and the quantity of fuel. I know there has been a desire in the past by the Air Force to make the wing an association, which is an important piece which means manpower and so forth.

Can either one of you or both of you respond to that? You know, obviously, when you move to that level, it means a different personnel level, but because of its activity and potential of new aircraft, depending on what happens and where those are located in the future, it just seems like the opportunity to consider that or at

least review that in the future seems to be worthwhile. And maybe you could, either one of you, give me a comment on that, if you could.

General GRASS. Senator, as the vice element commander for U.S. North American Aerospace Defense Command working closely with Canada, I know the value of those tankers. When we are setting in, whether it is a small aircraft coming through or an aircraft that recently across Canada that went out of communications, those tankers are some of the first ones that go up both to support the U.S. fighters, as well as the Canadian fighters. So I know that value very much.

I know there is a balance there, and I will work very closely with the Air Force, if confirmed, to take a look at that and really work closely with the Director of the Air National Guard to understand it better.

Senator BEGICH. Would both of you be willing to commit to at least review and revisit the issue of the association for the 168th, as you have just kind of mentioned? Are you willing to kind of look at that again just to make sure, as you look at your 5- and 10-year plan, is there a need to revisit that? Any comment from both of you on that?

General WELSH. Senator, I would be happy to look at that. I was not involved in the previous discussions. I have no idea what the reasoning was for not doing that. I would be happy to look into that and get back to you.

Senator BEGICH. Very good.

General GRASS. Senator, I would be happy as well.

Senator BEGICH. I appreciate it. I just think as we look at this new Asia-Pacific piece, it just seems like that needs to be reexamined based on this larger picture.

General Welsh, you know, again we yesterday talked, and I appreciate the candid discussion we had yesterday. As you know, we had a little struggle and I think some other Senators did too in the transparency that is necessary for community engagement and understanding of when realignments or situations change in the military operations. And as you know, with the Air Force, we had a little concern, as you know, about Alaska. And maybe you could just give me your thoughts of this relationship between the Air Force, Congress, and the communities as we move through this new age of redeployment, reassignment, realignment—everything is “re”—and also our budgetary constraints and how you see your role in creating that kind of transparency that is necessary.

General WELSH. Senator, I believe that the pressures that are on us, especially from a budget perspective now, demand more sharing of information earlier in the process between all of the organizations and the bodies you just mentioned. I think there are factors that each one of those groups would bring in with a different perspective. I do not think the Air Force has the entire perspective considered early enough in the process. Part of my emphasis will be to make sure we do, that we are very closely connected to not just the Air National Guard but to the Guard Bureau, confirm that they are clearly closing the distance between them and the Council of Governors and the TAGs. And I do not think we can move forward in any practical way without the Members of the U.S. Con-

gress being witting and understanding of the intent of the actions we propose.

Senator BEGICH. Very good. Thank you very much.

My time expired. I do have a question I will leave for the record for you, General Grass, in regards to the Guard and some other issues. I will just send that in for the record.

General Kelly, congratulations. I did not have a question for you, but if you were Doug Frasier, I would harass him because he was an Alaskan for a little while.

But I hope all three of you, even though you are from Southern Command, at some point come to Alaska. It is a great opportunity see some incredible troops. We just brought back almost 9,000 from Afghanistan a few months ago from our Stryker and others, and they did an exceptional job and we are very proud of them.

So thank you for your willingness to serve and willingness to take this next position. Thank you.

Chairman LEVIN. Thank you, Senator Begich.

Senator Portman.

Senator PORTMAN. Thank you, Mr. Chairman.

And thanks to each of you for your distinguished service and your comments this morning. I agree with the chairman. Your opening statements were moving and partly because of the incredible service that you and your family have provided. We appreciate that. And also you bring a lot of experience to bear during a critical time. Our challenges have not diminished, but the budget pressures have increased. And we talked a lot about that this morning.

I appreciate, General Welsh, you coming by yesterday for a good discussion on some of the Air Force challenges that we face on the budget side. I would like to say publicly what I told you yesterday, which is I think, frankly, the fiscal year 2013 budget presentation by the Air Force did not have the kind of analysis and, frankly, did not have the kind of relationship with the Congress that would have been helpful particularly with regard to the Air Guard issues. And I appreciated your comments yesterday, and I would like to give you a chance today to just talk a little about how you would like to see the Air Force budget process moving forward, particularly with regard to the guardsmen and the Title 32 requirements and working with Congress.

General WELSH. Thank you, Senator.

I think what has gotten us to this point clearly did not work well, and I do not believe it is because the people were evil. I think they all have the best interests of the Nation at heart. I think it is because we did not understand how to make this process successful, and we cannot repeat that again.

I believe that there are things that the Air Force should consider earlier in the planning process. I think we tried to do that. Obviously, we did not have the details to the level of satisfaction of the other people who have to be part of this plan in the long run for it to be able to be executed. And so I think things like Title 32 requirements should enter the front end of the discussion. I think the ability to practically execute a plan is something that can best be discussed with Members of Congress, the members of the Department of Defense, the members of the Air Force, and the National Guard Bureau, and specifically the Air Guard and Air Force Re-

serve. I think we all have a critical investment in this process working properly, and I think we all have an interest in making it work properly. And so, if confirmed, that is my goal. How do we get to there from where we are today?

Senator PORTMAN. Thanks for those comments. General Grass is nodding there next to you with regard to the Guard.

We talked about acquisition improvement earlier, and the chairman and Senator McCain have spent a lot of time on this. There is a report recently by CSIS. It is their acquisition study, and it indicates the Air Force trends are actually heading in the wrong direction despite all the good efforts that have been made. According to their report, total cost overruns of Air Force major defense acquisition programs actually increased. The overruns increased from \$52 billion to \$58 billion from the 2009 to 2010 years, the latest years for which they have data.

You know, in light of what has happened with the Joint Strike Fighter—the F-35 I know was discussed earlier—huge cost overruns and, as you indicated, also some major time issues not just for our military but for our partners, what is happening with the light attack support aircraft with the KC-46, I guess what I would ask today is if you could just give the committee a sense of how you would tackle this issue. You know, what would your priorities be? How would you go about it? I am not suggesting it is entirely an Air Force issue. It is certainly not, but it does happen that a lot of these projects do land on the Air Force major defense acquisition side and so you will be very involved with them.

General WELSH. Thank you, Senator. I know that you are very well aware of the talent level and the work ethic of the men and women of Wright-Patterson Air Force Base, for example, who manage many of these programs or supporting programs. This is certainly not a lack of effort that is causing the problem. We have very talented people in our acquisition workforce.

I believe there are three key things that we have to track and things that, if confirmed, would be my focus areas going forward in the acquisition business.

Number one, we have to be very disciplined in the way we establish and then control requirements, especially to major acquisition programs. We do have a history of requirements creep occurring. I believe that one of the roles of the service chief is to be visibly involved in the requirements process for major weapons systems for your service, and if confirmed, I will be.

I believe the second thing we have to focus on is disciplined—and that is “disciplined” with a capital D—execution of these programs. And if you stress that cost is a key performance parameter, then anything that affects cost has to get visibility up to and beyond the program manager level as opposed to trades being made with good intent that end up mushrooming into much larger costs.

And then finally, I do believe cost has to be a key performance parameter in major programs. It just has to be that way. We do not have the luxury—we have not in the past and we certainly do not going forward have the luxury of allowing programs to expand to 30–35 percent over cost and schedule. Unacceptable.

Senator PORTMAN. Well, we talked initially about the budget pressures, and this is certainly an area where there could be vast

improvement. And I appreciate your personal commitment to that. Leadership at the top. I think you are right. The metrics are right. I would also say competition and transparency helps, and we have talked a lot about that in terms of the Joint Strike Fighter. But I do think there is a great opportunity actually with you coming in with some fresh perspective to be able to help on that.

On science and technology, you know how I feel about this. It is a tough budget environment and it is too easy to see science and technology become the billpayer. We are eating our seed corn if we do that. I appreciate your comments yesterday on it, know how you feel about it. But I think ultimately our qualitative advantage that is talked about a lot is going to be because of these significant improvements we have seen over the decades in science and technology which we are enjoying now from investments we made 10 years ago.

And as you know, you mentioned Wright-Patterson Air Force Base. We are very proud of the Air Force research lab and the cutting edge work that is done there. We love having AFIT there. We think that is an incredible resource for the military, not just the Air Force but our military at large.

In your opinion, could you characterize the health of the labs and what your priorities would be for the research and technology efforts of the Air Force?

General WELSH. Yes, Senator, thank you.

I was just at Wright-Patterson last month and talked to a number of the folks in the labs about programs they are working. They are terrifyingly smart. They are very committed to this activity, and I was astonished at their capability quite frankly.

I am a believer that one of my responsibilities as the Chief of Staff, if I end up in that role, is to shape the future of the U.S. Air Force to the greatest extent I possibly can in cooperation with all the agencies and organizations that support us. One of the ways you do that is by investing in the future, and I think that is what science and technology investment is. I think we have to continue to invest in that region.

You mentioned AFIT, sir, the Air Force Institute of Technology. That is investment in the people side of our technology and technology development. It is an opportunity for our Air Force to send young officers to a program based on their area of work in the Air Force. They are competitively selected, and they are trained specifically to improve capability for our Nation in that area. I think they are both essential parts of the plan going forward, and I will be a very big supporter.

Senator PORTMAN. Thank you again. We are appreciative of your willingness to step forward and take on this role, and we look forward to your confirmation.

My time is coming to an end here quickly. General Kelly, I just have one quick observation to make. First of all, thank you for your service and your family's service and sacrifice. And you are taking on an incredibly important task.

I have to comment that based on your interaction with Senator McCain earlier on the substance abuse, the drug issue, I could not agree more. I have actually worked a lot on the demand reduction side, including with the chairman's brother, Congressman Sandy

Levin, and I do think that is where we are going to get the most progress.

Have you had the opportunity yet to sit down with one of your predecessors, assuming you will be confirmed, which I am confident of? Barry McCaffrey was SOUTHCOM Commander from 1994 to 1996, later became Drug Czar. I worked closely with him on a number of pieces of legislation. He became, as you probably know, a true believer on the demand side reduction. And I wonder if you have had a chance to visit with him.

General KELLY. I have not yet and I had not thought of that, but that is a great idea, Senator.

Senator PORTMAN. Well, he is an Army guy, not a marine.

General KELLY. He is all right. [Laughter.]

Senator PORTMAN. Notwithstanding that, I think you guys will have a lot to share, and again, he has a wealth of experience now on sort of the domestic side of this. I wish you the best of luck. This deteriorating situation in Central America is heartbreaking. I worked a lot on the Central American free trade agreements trying to help their economy down there. We are heading in the right direction in many respects, but this is devastating to those countries and to those communities and those families.

So best of luck to all three of you gentlemen.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Portman. Thank you for your emphasis on the demand side of this drug problem and Senator McCain as well and you too, General Kelly. I think it is an important element to get into this discussion and to stay in the discussion.

Senator Ayotte.

Senator AYOTTE. Thank you, Mr. Chairman.

I want to thank all of you who are here today for your service—you have got incredible records of service to our country—and of course, to your family for all of their sacrifice and service.

First of all, I wanted to ask General Kelly. Yesterday I had the chance to do a panel on the issue of sequestration, and this panel discussion at Tech America was not only focused on the overall impacts to our National security, which I know all of you have described as catastrophic and we know that our Secretary of Defense has described in the most direct terms as shooting ourselves in the head.

But what I was really struck with, General Kelly, is Sergeant Major Kent testified. He is now retired from the Marine Corps. And he was really concerned about us breaking faith with our marines. So I would ask you this. Can you tell us if we do not address sequestration pretty quickly around here, what are we doing to the morale of our troops? And I guess I would start with you, General Kelly, and then also General Welsh and, of course, General Grass to comment as well because we talk a lot about the weapons systems and everything else, but we are talking about our men and women in uniform who have shown such great courage and have made so much sacrifice for this country. Can you give us some insight on that morale issue?

General KELLY. Absolutely. First of all, I would never disagree with Sergeant Major Kent—[Laughter.]

—or any other Marine sergeant major. I agree with Sergeant Major Kent. I believe it would be breaking faith.

I think one of the things that the leadership in the Department of Defense, in fact, the leadership throughout Washington, have to understand is that there is a great deal of churn in the minds of particularly the families, the spouses, of what is going on in the military. And if you listen to them and get out and about as I do with the Secretary of Defense, the thing that they are confused about or concerned about is the uncertainty. We have, from their perspective, certainly massive budget cuts. We have force reductions. We still have a war going on, and I do not think anyone in the room would disagree. It is a very, very dangerous world and who knows what comes next. And if you put all of that uncertainty into a blender, so to speak, and mix it up, that is where hollow forces in my estimation begin. We saw that in my own career in the 1970's and again in the 1990's where the uncertainty causes people to say time to go, I do not know if I am going to have a job next week or next month.

I believe the Nation has made a commitment, particularly now that we have an all-volunteer force, to the service men and women that serve and their families. We have made a commitment to take care of them not just because we are at war, but perhaps that reinforces the commitment. They give enough. It is a tough row to hoe as a military family, spouse member, and we owe it to them to certainly not include them in on the consideration as we look at sequestration.

Senator AYOTTE. Thank you.

General Welsh.

General WELSH. Senator, the men and women of the operational Air Force have been deploying in support of contingency operations, along with their fellow service mates, for the last 22 years now, in other words, on to the Middle East. What they are looking for right now in many cases is stability, and stability does not mean nothing changes. It means a plan that we can execute. They are very good at that. They just want to know where we are going so they can start to get to work on it.

General GRASS. Senator, I got a chance to go down to Fort Carson and visit with the units that are either departing or are returning home. And when you look in the eyes of the young families with children and the spouse is there and the husband is on his fifth, sixth, seventh deployment and they wonder what is it for the future. Should I stay in this career field? Should I move to another career field? And we hear that.

And I think there is another part of this, which is maintaining those combat-proven warriors that want to be leaders and lead our military in the future. And I think sequestration will push us to the limit where we will lose some of our best and brightest.

Senator AYOTTE. Let me follow up with you, General Grass. General Odierno has testified before the SAS Committee that what sequestration, as they have estimated, would mean for our Army is an additional 100,000 reduction in forces for our Army on top of the already roughly 72,000 reductions that we are already making. And what he told us was that 50 percent of those would have to come from the Guard and Reserve. What does it mean to cut

50,000 from our Guard and Reserve in terms of not only our National security but our homeland security?

General GRASS. Well, Senator, I have not had a chance to study those figures, but as you know, every day there are 5,000 to 7,000 guardsmen on State active duty and 25,000 deployed overseas. And if we lose capability, we will have to definitely take a serious look at whether we can continue to do the jobs to support our communities.

Senator AYOTTE. And those jobs also include an important function to our Governors in responding to national disasters as well state-side, do they not, General Grass?

General GRASS. Yes, Senator, they do.

Senator AYOTTE. Absolutely.

Well, this is an issue that has to be addressed right away, and it is my hope that on a bipartisan basis, that we will put aside the election-year politics and get this resolved on behalf of all the men and women who serve underneath all of you so admirably and courageously.

In addition, I would like to follow up on another line of questioning particularly addressed to General Welsh. One of the issues I have been concerned about—here we are talking about sequestration, but in order for us to make good decisions about responsibly spending the taxpayer dollars that come to the Department of Defense, this audit issue has been very, very important. And I have certainly appreciated what Secretary Panetta has said about trying make sure that we meet a Statement of Budgetary Resources by 2014. In fact, it is now incorporated in the defense authorization. I had asked for it, pushed for it. I know others on this committee have been very focused on this issue.

I understand that the Air Force has had some of the greatest difficulties. General Welsh, will the Air Force meet the 2014 deadline to complete a full Statement of Budgetary Resources, and how important will you make this issue as the Chief of Staff of the Air Force?

General WELSH. Senator, my honest answer is I do not know. The biggest limiting factor we have right now are systems that share data. The systems we have on the books that will help do this kind of audit readiness work do not deliver until after 2014. And so it is causing this to be done manually, which is not the ideal way to do it.

Senator, I can tell you this. There is a lot of effort going on in the U.S. Air Force, all the way down to the squadron level right now. I have met with my wing commanders, for example, in Europe three times over the last 4 months on this topic. And so we are working it as hard as we can. I do not know if the corporation can get there by then because of the problems with uncovering and sharing data in the right ways. Clearly, this will have to be a focus area, if I am confirmed. It is now for the Air Force. I can assure you of that. And we will do everything we can to make that deadline. I just do not know the answer yet.

Senator AYOTTE. Well, I appreciate your testimony and your candidness, General Welsh. I obviously hope that you will make this a top priority because we have to be able to look the American people in the eye and tell them that their taxpayer dollars are spent

wisely. And again, as we look at something like sequestration, then every dollar we need to be able to account for. So I really appreciate your looking at this issue and one that I know is of great importance in making sure that we are watching the taxpayer dollars.

My time is up, but on a final note, you know, today Russia and China vetoed the U.N. Security Council resolution that would have imposed new sanctions on the Assad regime in Syria. It is outrageous. I make this point because, General Kelly, you said we still live in a very dangerous world, and we know China is continuing to invest in its military. Certainly our relationship with Russia has changed, but we need to make sure that we have a strong military, otherwise other countries around the world will feel that they can just run all over us. So, again, another reason to address sequestration.

And I appreciate the leadership of all of you. Thank you.

Chairman LEVIN. Thank you, Senator Ayotte.

Senator Blumenthal.

Senator BLUMENTHAL. Thank you, Mr. Chairman.

Thank you all for your service and particularly your families for your service which I know, as you have said very movingly and powerfully, has been integral and essential to the work that you have done for our Nation. and I thank you and them for your service and sacrifice. In particular, General Kelly, thank you to your family.

I would like to ask you, if I may, sir, about the MC-12 which is important not only to SOUTHCOM AOR but also to our National Guard. As a matter of fact, Connecticut's Air National Guard is expected to receive 9 to 11. So this is really a question as well for you, General Grass.

What is your assessment of the MC-12s future role in the drug interdiction mission in SOUTHCOM's AOR? Do you think it has a role? How effective will it be? And will it have a role in the Air National Guard?

General KELLY. I can speak certainly to platforms like the 12. As I think the Senator knows, the SOUTHCOM command is an economy of force command in the National strategy that has been developed. In fact, it has been this way for a great many years.

The kind of things that go on in South America's SOUTHCOM are things that are unique probably to this theater. Anything and everything that can be provided to SOUTHCOM that can help us get our arms around tracking illicit drugs, as well as helping the various countries down there, most of whom are very friendly to the United States, most of whom want to partner with the United States—anything we can do to help them, provide them intelligence and insights into the networks that they deal with, the criminal syndicate networks, would help them immeasurably. We do not want to fight their war for them on the ground. What they do really lack is a way to get into the networks as no one else but the United States military can do.

Senator BLUMENTHAL. Thank you.

General Grass.

General GRASS. Senator, all intelligence, surveillance, and reconnaissance aircraft today are very heavily committed, no doubt. And I think the asymmetric warfare that we are going to face both not

only today but in the future will demand more. And I am committed, Senator, if confirmed, to continue to work with the Air Force and General Welsh to take a look at both the sourcing and also the stationing of those forces in the Air National Guard.

Senator BLUMENTHAL. Well, I appreciate that interest and that commitment. I believe very strongly that the MC-12 has the kind of role that you have described, General Kelly, and appreciate, General Grass, your commitment to keeping strong and even strengthening the role of the Air National Guard because in Connecticut, as you well know, in the two wars that we fought, it has been a very profoundly significant force, I think, for our military readiness and for our effectiveness in those theaters. So I thank you for that commitment.

I would like to raise with you an issue that I think we have discussed a little bit, perhaps has not arisen today, but I think is very, very important to all of our veterans, most especially to our National Guard and our Reserves, the issue of making sure that they have employment when they come home. As you know, unemployment rates among the recently returned veterans, particularly our younger veterans, are significantly higher than the general population, which I think is absolutely unacceptable and intolerable. We owe them better. We must do better for them. And I am particularly troubled by the potential and the allegations that I have received—I think they are credible—about possible discrimination against them that may occur in the job marketplace because they may be deployed because they are committed to being available when the Guard and the Nation needs them and our reservists as well.

So I do not know whether you have any comments as you sit here now about that issue. I know it concerns you, but I would welcome any comments that you do have.

General GRASS. Senator, I think as we head forward and you look at the use of the Guard and Reserve, the employer support to the Guard and Reserve program is an outstanding program. And if confirmed, one of the commitments I will make is to take a look at what are the base root of the problem both from an employer perspective, as well as an employee perspective. And then I will get with the adjutants general and look at best practices across the Nation, look at some of the statistics of what programs have worked best, and then build a plan to move forward.

Senator BLUMENTHAL. And I cannot speak for my colleagues here today or generally but I think that you will find a very, very high degree of support for any programs that provide job opportunities, training, counseling, education. Insofar as health care is related to those job opportunities, I think there will be a lot of support for it because as we have also discussed, I think our Guard and Reserves will be playing an increasingly important role as our citizen soldiers and have throughout our history proudly in Connecticut certainly, and thank you for your commitment on that score.

General Welsh, you mentioned the possibility on the issue of sexual assault for perhaps better screening and assessment at the front end of people going into our military. And I wonder if you could perhaps expand on that thought.

General WELSH. Senator, I will be happy to. I wish I knew enough about the available tools to be able to expand on it in a meaningful way. I just believe that that is the piece of this we have not successfully taken on yet. If we can stop the crime, everything else becomes easier, and that should be the goal.

I know there is work in the social sciences to look at screening tools for different kinds of behavior. I do not know personally if there is a tool that allows you to identify someone with predator tendencies. But we certainly should be looking into that. I hope somebody is. I just do not know that they are.

I think we need to look at other things in that pre-crime phase, if you will, things like the possibility of raising punishments for lower-level offenses within this category of crime under the UCMJ. Anything that can be seen as either a screening force, a deterrent force or the ability to respond rapidly and as publicly as possible to the commission of a crime may help identify or suppress the people who can commit this crime. I do, however, believe that there are a certain number of predators everywhere, not just in the military, but we have them. And if we can somehow target that group at the front end, some of the most horrible incidents can be eliminated before they occur.

We all feel, Senator, these are like our children that we are being given the privilege to command. Anytime this happens, it is horrible and we are not doing enough to stop it.

Senator BLUMENTHAL. I am very sympathetic to your answer. I am very supportive as a longtime prosecutor before I moved to this job and particularly on the prevention and the deterrent end and also have been very interested in the possibility for enhanced advocacy for victims so that they feel more welcome as a part of the prosecution process which will enhance their willingness to come forward and cooperate.

So my time has, unfortunately, expired, but I would welcome an opportunity to pursue this issue with you. Thank you very much.

Thank you to every one of you and your families again for your extraordinary service and sacrifice.

Thank you, Mr. Chairman.

Chairman LEVIN. Thank you, Senator Blumenthal.

Senator Chambliss.

Senator CHAMBLISS. Thanks, Mr. Chairman. Let me echo the sentiments of my colleagues about thanking you and your families for your great commitment and your service to our country, gentlemen.

General Welsh, DOD and specifically the Air Force has a very robust maintenance capability, and it is vital that we retain an organic capability and capacity within the Air Force depots to ensure that the response to significant military operations and national emergencies is there. The ability to conduct some of this work in house also provides negotiating power for the Government when contracting with industry. It allows DOD and the taxpayer to pay competitive prices for the maintenance work.

If confirmed, what is your vision for depot maintenance and logistics within the Air Force?

General WELSH. Thanks, Senator. If confirmed, I would intend to pursue exactly that course. I agree with your assessment, sir. I be-

lieve that it is an organic capability that we must maintain for any number of reasons, from professional development of career forces that can deploy and serve in forward areas to costs and efficient operations in the actual execution of the work to cost savings. My personal opinion is this is a very, very, very good thing for our Air Force and we should continue to focus on it.

Senator CHAMBLISS. General Kelly, you and I have come a long way over the last couple of decades that we have known each other, and I want you to know how proud I am of you and of your service to our country. Thanks in particular to you.

I want to talk to you for a minute about ISR. The availability of ISR platforms is going to continue to be a major requirement of SOUTHCOM. The current commander, General Frasier, has often referenced the need for improved ISR operations within SOUTHCOM and specifically the need for imagery intelligence, wide-area coverage, sensor integration, signals intelligence, moving target indicators, layered ISR architecture and management tools, as well as biometrics.

If confirmed, how do you plan to work with DOD and the intelligence community to prioritize and acquire these assets for your AOR? And do you foresee any additional requirements or assistance that you anticipate needing with respect to ISR?

General KELLY. Well, Senator, if confirmed, I will make as much noise as I possibly can within certainly the halls of the Pentagon to increase the amount of ISR. My current position allows me to see where almost every ISR asset in the world is being utilized. What I can tell you from that is that there is simply not enough ISR to go around. It is obviously concentrated in a couple parts of the world doing very, very, very important work.

My hope is that as the war in Afghanistan winds down and, frankly, the Air Force and the great airmen that operate particularly the drones and the higher-level ISR, as well as aircraft and whatnot—as they begin to recover from what is just an unbelievably demanding day-to-day existence fighting or maintaining ISR over the battlefields of the world, my hopes are, as we come down from the war in Afghanistan, as we have from Iraq, that some of that ISR will be made available to places like SOUTHCOM.

Senator CHAMBLISS. With respect to WINSEC, Chairman Levin and I both serve on that board. I have tried to stay pretty active with that group, and now that you are coming on board there, we look forward to working with you and seeing you at Fort Benning soon I hope.

General Welsh, Joint STARS provides the ground movement target indicator capabilities to the warfighters. You and I discussed yesterday an extremely important ISR platform. I am disappointed that despite the findings of the recent AOA and the Air Force's long-term responsibility for carrying out the GMTI mission, that the Air Force does not have a plan for how to carry out this military long-term. There is essentially no money in the fiscal yearDP to modernize Joint STARS. The Air Force has not looked carefully in my view at potential options like procuring a business jet platform to carry out the mission.

Can I just have your assurance that upon confirmation, that you are going to look into this issue immediately and come back and

let us visit and let me have your thoughts on this? I know you indicated to me you really have not had the time to study it, but I just want to know that you are going to look at it in the near term and let us visit further on that.

General WELSH. Senator, if I am confirmed, I will absolutely do that.

Senator CHAMBLISS. Another issue that is of significant importance from the standpoint of the tough budget times that we are in right now is the issue of multi-year procurements. Multi-year programs like the C-130J—we had one on F-22, and we need to be looking at further multi-year procurement opportunities like with the F-35.

Can you share with us your thoughts on the value of multi-year procurements and particularly with respect to these major weapons systems that we are looking at?

General WELSH. Thank you, Senator. I think clearly from a logic perspective, multi-year procurement would always be the way to go if there were no other factors prohibiting it just for the cost savings alone. That, of course, requires a stable investment plan that has to remain realistic despite the turmoil associated with the budget. I do not know about recent decisions on whether to or to not enter into multi-year procurement plans versus year-to-year plans. I suspect decisions that have been made in that regard are basically due to the question marks surrounding the budget landscape in future years in an attempt to maintain some flexibility to work in budget in that environment. But I think clearly from my viewpoint, if you can buy multi-year, it is the best way to go from a cost perspective.

Senator CHAMBLISS. In a similar vein, we know we are going to buy weapons systems in the near-term years. Putting advance procurement money in the budget has always seemed the best way to go, and we have had an issue in the last two marks in this committee with respect to advance procurement on C-130Js. Is there any question in your mind but what providing for advance procurement funding on weapons systems that we know we are going to buy is not the right direction in which to go?

General WELSH. Senator, I would agree that again from a cost perspective only, it is always a good way to go.

Senator CHAMBLISS. General Grass, unfortunately my time is up. I do not want to slight you in the least, but thanks for your service. The 48th brigade in Georgia has been very active in both Iraq and Afghanistan. We have had a number of Georgians who have paid the ultimate sacrifice, but yet our morale is extremely high and our folks remain committed, capable, well trained. And we look forward to working with you to make sure that that level of competence within not just the 48th but the entire Guard is there.

So thanks very much to all of you.

General GRASS. Thank you, Senator.

Chairman LEVIN. Thank you, Senator Chambliss.

Senator Hagan.

Senator HAGAN. Thank you, Mr. Chairman, and Mr. Chairman, my remarks will be short today. My questions will be short because I have to preside over the Senate at noon, and that is one of those areas where you just cannot be late.

So I really want to thank all of you for your warm comments about your spouses, and I think we all know how important family is. And especially in your position, I just want to echo your comments and thank all the family members and the wives for all of the service that you have given our country too. So thank you.

General Kelly, in May, the DEA and Honduran law enforcement conducted a failed operation against a contingent of drug traffickers. This operation was conducted using State Department-owned helicopters that were piloted by the Guatemalan military and Honduran law enforcement were aboard. This complex arrangement is partly the result of DOD's reluctance to modify the rules of engagement for the helicopters located at Soto Cano to match the rules of engagement used to support the DEA in Afghanistan, and it looks like a cumbersome arrangement.

What are your initial thoughts on the rules of engagement that require such complex coordination, and do you think that this type of arrangement is necessary? And if confirmed, will you review the rules of engagement for the Army helicopters at Soto Cano?

General KELLY. Well, Senator, certainly if confirmed, I will take a hard look at this issue. I do know that the arrangements that exist between SOUTHCOM and the military and then other agencies, of which there are 15 or 16 that SOUTHCOM actively works with, DEA and others—there are some pretty specific command lines. Certainly DOD forces are chartered to attempt to pick up, particularly in the air and the sea lanes, the movement, do not have that responsibility ashore. But certainly if there are better ways to do business to break down barriers, to streamline particularly if you have to have things in place but to streamline an ability to get authorization to break the rules, if you will, legally, that is something that is just in everyone's interest.

When we started this journey in Iraq and now Afghanistan, there were many, many procedures that were in place between the services and the various intel agencies that over time made no sense and we broke those down, and they are very streamlined there. I am guessing but I think we could probably do the same thing, and if confirmed, I will take a very, very hard and immediate look at that.

Senator HAGAN. Thank you.

And then my last question has to do with cybersecurity. General Welsh, as we look at these issues, I think we need to look at how we view cybersecurity and regard it as a military capability. We need cyber operators not just technicians and a culture that sees cybersecurity as a military capability.

In your opinion, what does the Air Force need to be doing to recruit, train, and retain cyber airmen and encourage innovation in the cybersecurity operations? And what needs to be done to support a cultural shift to view cyber more as an operational capability than a technical skill set? And I really worry about the availability of enough of these cyber technically skilled people coming into our military.

General WELSH. Senator, thank you. As you know, there has been great support from the Congress and specifically the Senate I think in the past on hiring authorities that have allowed us to

bring in more and more of the right level of qualified people to do these jobs for us. So thank you for that.

I agree with you that this is an area that we are still trying to grow into our own skin on from both the joint and the Air Force perspective. I think that General Alexander in United States Cyber Command, working with General Kehler in Strategic Command, are putting together the specific requirements that the services can then try and organize, train, and equip to. Once we clearly identify those, I think we will find, at least in the Air Force, that the great majority of our people are people who actually help establish the architecture, the infrastructure within which our cyber operators will then operate. Those operators need to be recruited very carefully, trained very carefully in a different skill set than the people who establish, operate, and defend the architecture. And I think that is our first task, making sure we have that organizational construct clear in our minds, we know exactly who we need and what skill set, and then we focus on finding the right people and training them the right way.

Senator HAGAN. And we are competing directly with industry on these issues. So I think it makes it even that much more difficult.

Mr. Chairman, thank you very much. Thank you.

Chairman LEVIN. Thank you, Senator Hagan.

Senator Graham.

Senator GRAHAM. Thank you, Mr. Chairman.

To all of you, you have really have accorded yourselves well, and I want to share Senator Hagan's comments about the way you recognize your family. I think it speaks volumes to who you are as individuals. And I know that a lot of military families have suffered, and General Kelly and Mrs. Kelly, we appreciate what you have all gone through very, very much.

General Kelly, how would you rate the security on our southern border right now?

General KELLY. Well, the fact that we have such a drug problem and availability of drugs north of the border tells me an awful lot about—

Senator GRAHAM. We are finding tunnels.

General KELLY. Tunnels, the so-called mule trains, things coming in across in cargo.

Senator GRAHAM. On a level of very secure to very insecure, what is your general opinion? I know you have not had time to study it in depth, but going into your job, what is your general view of the security on the border?

General KELLY. Senator, based on the availability of drugs in America, it does not seem like it is very secure at all.

Senator GRAHAM. I could not agree with you more.

Please think long and hard about what the command can do to make it more secure in light of the Posse Comitatus Act. Do you agree this is a national security threat just not a law enforcement threat?

General KELLY. Drugs in America?

Senator GRAHAM. Yes.

General KELLY. Absolutely, Senator.

Senator GRAHAM. Well, do you think these same tunnels can bring terrorists to our country too?

General KELLY. They can or any other type of—

Senator GRAHAM. These mule trains can transport a lot other than just drugs. Right?

General KELLY. Absolutely.

Senator GRAHAM. I think it is a growing threat and I want to see what our military can do to help the law enforcement community to deal with it.

General GRASS, on the National Guard front, what does it mean to have the National Guard Bureau Chief as a member of the Joint Chiefs to you and how can you effectively use that position?

General GRASS. Senator Graham, as a member of the Joint Chiefs, I definitely have to bring forward the adjutants general and the Governors' thoughts, concerns on the homeland mission, but I also need to be able to balance that with the Federal mission and deployable forces and be able to give my best military advice to the Secretary of Defense, as well as the Chairman of the Joint Chiefs.

Senator GRAHAM. Do you think you could maybe help referee this problem the Air Force has?

General GRASS. Senator, the nominee here to my right and I have already had a number of conversations.

Senator GRAHAM. The reason I pushed so hard to have the National Guard represented, we are so integrated now and the State homeland security mission is very important, but the Federal need for the Guard is probably the greatest since the Revolution itself. And I think this whole problem with how you construct a new Air Force in tough budget times with the Guard and Reserve, that if you had been in place longer, it would have helped. So the goal is to have a guy like you there talking to the Air Force or the Army—maybe next time it is the Army—to give them some better intel and insight on how this all plays out. So I think not only can you be a good partner, you can be a good advocate too. So I hope you will take that challenge up.

General GRASS. Senator, I totally agree. As soon as I get on board, I will make partnerships quickly.

Senator GRAHAM. General Welsh, I have just been very impressed with the way you have handled yourself here and the way you articulate your view of being the next Chief of Staff of the Air Force. General Schwartz is a fine, fine man, and I think he has done a good job during tough times.

What is your view of the Air Force's standing in Congress right now?

General WELSH. Senator, I believe there is some concern, and I would tell you that it is fairly widespread from the opportunities I have had this week to meet with many members of this committee. It is not isolated to a particular issue or a particular region. And so I think it is something that we need to pay a lot of attention to. I think there is a trust problem that the Air Force must address and improve.

Senator GRAHAM. And saying that is not a reflection on General Schwartz or Secretary Donley, but your intel is good. So we want to help you sort of start a new chapter, for lack of a better word.

Now, back home, the CENTCOM flag is forward in the United Arab Emirates. The CENTCOM commander's home station is Shaw. Is that correct?

General WELSH. Yes, sir, that is correct.

Senator GRAHAM. And that is not going to change, is it?

General WELSH. Senator, our chief is on record as saying that is a temporary assignment.

Senator GRAHAM. Okay. Now, what I would like from you before we vote is some coordination between you and General Mattis if you can give me a general time period of when the flag will come home. I understand it needs to be forward because of Afghanistan and particular threats may be coming from Iran in the future. But I think what the people at Shaw are looking for is some kind of time period. It does not have to be an exact day or month when they can be reassured that the flag is coming back. Would you get with General Mattis and get back with me about that?

General WELSH. Senator, I would. I do not know General Mattis' view, so I will find out and get back to you.

Senator GRAHAM. Well, I would appreciate if you would find out before we vote.

Now, trainers. The T-38 has been a good airplane. It is about as old as I am. I need a tune-up I think. I think the efforts to get a new trainer keeps moving to the right because you have got budget problems. How do you view the need for a new trainer in terms of the priorities of the Air Force?

General WELSH. Senator, training is foundational to our Air Force. It is absolutely essential. In times especially where money will get tight and the force structure will be adjusted, the two things that we cannot stop doing is recruiting the right people and training them better than any other Air Force in the world trains their people.

Senator GRAHAM. So you think we need a new trainer?

General WELSH. I think the entire Air Force believes we need a new trainer, Senator. The issue right now has been what do you trade for it.

Senator GRAHAM. Right.

General WELSH. I believe this is a discussion that must take place every year until the time when we can begin.

Senator GRAHAM. And to the committee, to highlight the General's dilemma here, night vision goggles training is very difficult, if not impossible, with the T-38. Is that correct?

General WELSH. That is correct, sir.

Senator GRAHAM. Air refueling is very difficult, if not impossible. Is that correct?

General WELSH. That is correct, sir.

Senator GRAHAM. High g performance is very difficult?

General WELSH. Yes, sir.

Senator GRAHAM. And if you are talking about the fourth or fifth generation fighter, you want a trainer that would allow you to be trained for those fighters. Is that correct?

General WELSH. It makes it difficult, sir.

Senator GRAHAM. Well, about the Air Guard/Air Reserve, I think you have given an excellent answer, and I will be the first to say that the Air Guard and Air Reserve is going to have to take some reduction. Everybody else is going to take a reduction, including the Air Guard and the Air Force Reserve. We just want it to be within means and within acceptable ranges.

A final comment to each of you. Do you agree that if the Congress does not get a handle on TRICARE and health care costs that are growing exponentially in the Department of Defense budget, that you are going to have to make some draconian choices in the future between health care for our families and the retired force and the ability to train and fight?

General KELLY. I do, Senator.

General WELSH. I do, Senator.

General GRASS. Yes, sir.

Senator GRAHAM. So all of you are on record that the Congress needs to address the growing cost of health care entitlements in the Department of Defense budget. And are you willing to stand by me and others on this committee to go to our military family—and I say that fondly—that something has got to give here?

General KELLY. Yes, sir.

General WELSH. I am, sir.

Senator GRAHAM. Thanks a bunch. I wish you all well.

Chairman LEVIN. You are returning the flag to its other location.

Senator GRAHAM. I am. I am going to depart.

Chairman LEVIN. Senator Graham, you and I are the only ones left. I am not going to ask any additional questions for a second round because I am going to have to leave. Are you okay?

Senator GRAHAM. I am okay.

Chairman LEVIN. You all set?

We thank you. We thank your families. You are extraordinary leaders. Your families are there at your side, and we cannot tell you how much we admire you and them.

We will stand adjourned. We are going to try to get these nominations acted upon as soon as humanly possible, and we look forward to your confirmations. Again, we thank you. We are very, very grateful to each of you and your families.

[Whereupon, at 12:04 p.m., the committee adjourned.]