

#### **DEPARTMENT OF THE AIR FORCE**

## PRESENTATION TO THE COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

#### FISCAL YEAR 2014 AIR FORCE POSTURE STATEMENT

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#### INTRODUCTION

Today's Airmen play a pivotal role in the constant pursuit of better ways to defend the Nation. Since the airplane was employed over the battlefields of World War I, Airmen have stood for and pioneered new and innovative ways to shape the fight and reinvent the battle itself. While pre-Kitty Hawk warriors relied on breaking through fortified lines on the ground, Airmen have always sought to go over, not through, those fortifications to achieve victory. This spirit of innovation, seeing problems from an alternative, multi-dimensional perspective, is in our Service history, in our culture, and in every Airmen—Active, Guard, Reserve and Civilian—regardless of his or her specialty or role. We call this perspective "airmindedness." Airmen characteristically view security challenges differently—globally, without boundaries.

As a direct result of our status as the world's preeminent aerospace nation, airpower—the ability to project military power or influence through the control and exploitation of air, space, and cyberspace to achieve strategic, operational, or tactical objectives—allows America to control the ultimate high ground that is essential to winning our Nation's wars. The air arms of the Army, Navy, and Marine Corps are supremely capable at what they do—facilitating their parent Service's respective mastery of operations on the ground, at sea, and in a littoral environment. However, America has only one Air Force specifically designed and precisely employed to exploit the singular global advantages of military operations in air, space, and cyberspace. Airmen provide *Global Vigilance*, *Global Reach*, and *Global Power* for America through the enduring Air Force core missions of air and space superiority, intelligence, surveillance, and reconnaissance (ISR), rapid global mobility, global strike, and command and control. By integrating capabilities across these core missions, we bring a unique set of options to deter war, deliver rapid, life-saving responses to threatened areas anywhere on the planet, and strike hard and precisely wherever and whenever the national interest demands.

Recruiting and developing high-quality, innovative Airmen who leverage technology to rethink military operations to achieve strategic objectives will remain a fundamental tenet of the United States Air Force. Only through the efforts of Airmen who have led the way in integrating military capabilities across air, space, and cyberspace—even as their numbers have become significantly smaller—has our Nation maintained its airpower advantage. In an uncertain world, the Nation will depend even more on ready Airmen to deliver *Global Reach*, *Global Vigilance*, and *Global Power*.

#### STRATEGIC ENVIRONMENT

In January 2012, the Secretary of Defense issued new defense strategic guidance (DSG)—
Sustaining U.S. Global Leadership: Priorities for 21st Century Defense—which serves as a foundational document in establishing national security interests, the threats to these interests, and the fiscal realities that guide our military posture. The DSG directed a rebalance of forces, with a renewed focus on the Asia-Pacific region, as well as continued emphasis on the Middle East. Using the DSG as a point of departure, the Secretary of Defense recently directed a strategic choices and management review in light of budget realities—such as sequestration—and strategic uncertainty. This review will continue to help the Air Force to identify the major strategic choices that we must make to properly and realistically plan for the future.

Although the future is uncertain, we know that the capability to sustain national priorities hinges upon a strong and capable Air Force. Over the last 12 years, the wars in Iraq and Afghanistan

required Air Force capabilities to help force rogue regimes from power and then to provide critical support to land forces engaged in counterinsurgency and counterterrorism operations, and the Air Force currently plans to maintain these capabilities. In addition, the expected military challenges of the Asia-Pacific region, the Middle East, and Africa suggest an increasing reliance on airpower, not only by America and her allies, but also by her adversaries. The defining characteristics of American airpower—range, speed, flexibility, precision, persistence, and lethality—have played a crucial role in cultivating stability in these regions, a trend that will only increase in the future. The sheer geographic size and extended lines of communication of the Asia-Pacific region, along with the developing military expansion of potential regional adversaries, demand an air force that is postured to ensure stability and preserve U.S. interests. The Air Force is committed, along with our joint partners and allies and through cooperative military relationships, to ensuring global and regional stability and mutual freedom of access to the global commons to secure our common interests around the world.

The Air Force's technological advantage is threatened by the worldwide proliferation of advanced technologies, including integrated air defenses, long-range ballistic and cruise missiles with precision-capable warheads, and advanced air combat capabilities. Advances in adversarial capabilities in space control and cyber warfare may also limit U.S. freedom of action. Some of these technologies are attained with relatively minimal cost, greatly reducing the barriers to entry that have historically limited the reach and power of non-state actors, organized militias, and radical extremists. We live in an age of surprise, where individual acts can be powerful and the effects can be global. Today's strategic environment presents a broad range of threats and an unpredictable set of challenges, ranging from non-state actors to nuclear armed nations. We must continue to invest in our science and technology base to ensure that the future balance of power remains in our favor. This requires flexibility, versatility, and a shift to inherently agile, deployable, and networked systems from those designed for fixed purposes or limited missions.

One initiative that we continue to pursue as we consider the strategic environment is the Air-Sea Battle concept. Air-Sea Battle is an operational concept focused on the ways and means that are necessary to overcome current and anticipated anti-access and area denial threats. By focusing on increased integration and interoperability between all Services, the concept ensures that joint forces maintain the ability to project power and protect national interests despite the proliferation of anti-access/area denial threats worldwide. The concept is not a strategy, nor does it target a specific adversary, but instead focuses on acquiring pre-integrated, joint capabilities. Beyond conflict, the Air-Sea Battle concept can enhance response to humanitarian missions where weather or geography may deny access.

Even as we rebalance our forces, we are aware that the time, place, and nature of the next contingency can never be predicted with certainty. When contingencies arise, we must maintain the ability to respond immediately and effectively if called to action. To align with the DSG, the Air Force has traded size for quality. We aim to be a smaller, but superb, force that maintains the agility, flexibility, and readiness to engage a full range of contingencies and threats.

#### FISCAL ENVIRONMENT

We recognize that because our Nation is striving to reduce spending and our military is transitioning operations from the U.S. Central Command area of responsibility and rebalancing to the Asia-Pacific region, the Air Force must adapt to a relatively static or reduced budget.

However, reliance by the joint team and the Nation on our unique ability to provide *Global Vigilance*, *Global Reach*, and *Global Power* constrains Air Force options in reducing or terminating capabilities or missions. Therefore, we are working hard and making real progress in eliminating unnecessary expenses and ensuring more disciplined use of resources. Nonetheless, the fiscal environment requires us to make trades between force structure, readiness, and modernization among the core missions to ensure the highest quality and ready Air Force possible.

#### Fiscal Year 2013 Sequestration Effects

As a result of the triggering of the 2011 Budget Control Act's sequestration provision, the Air Force is implementing significant reductions to our fiscal year 2013 (FY13) operations. If the post-sequester Budget Control Act funding caps remain in effect, the Air Force will be unable to achieve our agenda of reinvigorating readiness and aligning to the DSG. In both the short- and long-term, sequestration will have devastating impacts to readiness, will significantly affect our modernization programs, and may cause further force structure reductions.

Sequestration will force the Air Force to reduce expenditures by around \$10 billion in FY13. These actions include a planned furlough of more than 170,000 civil service employees, an 18 percent reduction in flying training and aircraft maintenance, and deferment of critical facility requirements (including runway and taxiway repairs).

Many of these actions severely degrade Air Force readiness. Lost flight hours will cause unit stand downs which will result in severe, rapid, and long-term unit combat readiness degradation. We have already ceased operations for one-third of our fighter and bomber force. Within 60 days of a stand down, the affected units will be unable to meet emergent or operations plans requirements. Lost currency training requires six months to a year to return to current suboptimal levels, with desired flying proficiency for crewmembers requiring even longer. Sequestration impacts are already occurring, and the FY14 President's Budget (PB) does not assume the costs of recovering the readiness impacts from even a partial year of sequestration.

Depot delays will also result in the grounding of some affected aircraft. The deferments mean idled production shops, a degradation of workforce proficiency and productivity, and corresponding future volatility and operational costs. It can take two-to-three years to recover full restoration of depot workforce productivity and proficiency. In our space portfolio, sequestration will force the elimination of some system redundancies, as well as other preventative maintenance actions designed to minimize risk. All of these sequestration impacts negatively affect Air Force full-spectrum readiness at a time when we have been striving to reverse a declining trend in this critical area.

As a result of the Consolidated and Further Continuing Appropriations Act, 2013, the Air Force has been able to make limited funding transfers and reprogramming actions that will help alleviate the most problematic and immediate FY13 funding shortfalls. However, the decisions that we have been forced to make in short-term spending may increase total costs over the long run. For example, sequestration cuts to Air Force modernization will impact every one of our investment programs. These program disruptions will, over time, cost more taxpayer dollars to rectify contract restructures and program inefficiencies, raise unit costs, and delay delivery of validated capabilities to warfighters in the field. The drastic reduction to modernization

programs reduces our Air Force's competitive advantage and decreases the probability of mission success in the Asia-Pacific region.

## Sequestration Effects in FY14 and Beyond

The President's Budget includes balanced deficit reduction proposals that would allow Congress to replace and repeal sequestration in FY13 and the associated cap reductions in FY14 – 21. If sequestration is not replaced, however, the Air Force will have to rebuild degraded unit readiness, accept further delays to modernization, absorb the backlog in depot maintenance inductions, and invest additional funding to restore infrastructure. While the Air Force has made every effort to minimize impacts to readiness and people, the bow-wave of reductions, deferments, and cancellations associated with sequestration will challenge the strategic choices made in the FY14 budget submission.

The exact impacts of sequestration on Air Force resources in FY14 and beyond depend on congressional action. We do know, however, that the national fiscal situation will require some reductions that may increase risk to our readiness, force structure, and our ability to modernize an aging aircraft inventory. In addition, the outcome of the strategic choices and management review may drive further changes.

As we navigate the uncertain way ahead, in order to mitigate risk in critical areas like readiness, force structure, and modernization, and to avoid a hollow force, we will continue to work with Congress to develop force shaping options, urgently seek another base realignment and closure (BRAC) round, and ask for relief from legislative restrictions on the reduction of excess force structure and from mandatory expenditures on programs that we have proposed to retire or terminate. To slow the growth in military compensation while also fully supporting the all-volunteer force, we also request congressional support on limiting the basic military pay raise to one percent and allowing sensible TRICARE fee and pharmacy co-pay changes.

In spite of these fiscal challenges, the Air Force will continue to strive to balance reductions across the force to maintain the capabilities of the remaining forces and keep the Air Force strong.

## **AIR FORCE CORE MISSIONS**

The Air Force will only remain a superb fighting force in FY14 and beyond by investing in the capabilities that enable us to bring our five core missions to the joint team. President Truman assigned several roles and missions to the Air Force at its establishment in 1947. Today, the Air Force brings essentially the same interdependent, integrated, and enduring contributions to the joint fight:

- Air and space superiority;
- Intelligence, surveillance, and reconnaissance;
- Rapid global mobility;
- Global strike; and
- Command and control.

Through these core missions, our Airmen provide *Global Vigilance*, *Global Reach*, and *Global Power* for America. While the means through which we provide these core missions will change and evolve—for example, the addition of space and cyberspace—the core missions themselves will endure. None of these core missions function independently. Their interdependency and synchronization provide an unparalleled array of options, giving America the ability to respond quickly in the face of unexpected challenges.

The five core missions shape where we invest the resources we are given. However, the significant reductions that the Air Force has faced in the last few years have required us to make difficult choices. We have become a markedly smaller Service—the smallest in Air Force history.

Despite this decline in size, our Airmen have stepped up to the challenge and delivered incredible airpower for the Nation, 24 hours a day, 7 days a week, 365 days a year. They always respond when needed—from combat rescue Airmen who exfiltrate the wounded from battlefields, to joint terminal attack controllers who direct the actions of combat aircraft engaged in close air support, to mobility Airmen who quickly airlift personnel, vehicles, and equipment in both combat and relief operations, to the missile combat crews who sit nuclear alert to deter our enemies. These brave and innovative men and women must be properly trained and equipped to defend the Nation. Experience has taught us that during periods of fiscal austerity, tough decisions are necessary to avoid a hollow force—one that looks good on paper, but has more units, equipment, and installations than it can support, lacks the resources to adequately man, train, and maintain them, and are not provided with enough capable equipment and weapons to perform their missions.

In each core mission described below, we highlight what each core mission means, why it is important, our Airmen's recent accomplishments in that area, and what we are focusing on for the future with respect to force structure and modernization.

## AIR AND SPACE SUPERIORITY...FREEDOM FROM ATTACK, FREEDOM TO ATTACK

#### Air Superiority

Air superiority is foundational to the application of joint military power, and it ensures that the advantages of the other Air Force core missions, as well as the contributions of our sister Services, are broadly available to combatant commanders. It includes the ability to control the air so that our military forces do not have to worry about being attacked from the air, and it ensures that joint forces have the freedom to attack in the air, on the ground, and at sea. Air superiority has been and remains an essential precondition for conducting successful military operations. Air superiority has provided our Nation with a decades-long asymmetric advantage. Joint force and coalition commanders have come to expect mission-essential air superiority provided by America's Airmen. The Air Force has given them ample reason—not since April 15, 1953, has an enemy combat aircraft killed a service member in the American ground forces.

In the six major U.S. combat operations of the last two decades, the Air Force's ability to provide air superiority has played an indispensable role in determining the outcome of each conflict. Recently, in Operations Odyssey Dawn and Unified Protector, our Airmen patrolled the skies of Libya providing 50 percent of allied airborne reconnaissance and 40 percent of allied strike missions, equating to over 1,800 total strikes in support of the United Nations-sanctioned

no-fly zone. In addition, the Air Force provides nearly 100 percent of the Nation's homeland air defense.

Although air superiority underwrites the freedom of action required for all joint military operations, there is no guarantee of it in the future. Substantial near peer investment and proliferation of advanced technologies threatens this freedom of action. Our legacy, or fourth-generation, fighter fleet has secured more than 20 years of an air superiority advantage, but may lose its ability operate as effectively in contested environments. Large-scale use of legacy aircraft in these environments could be inhibited by the increased survivability of highly lethal, advanced integrated air defenses that will likely persist for the duration of future conflicts. Our air superiority future depends on modern technology and fifth-generation fighter capability. Weapon systems like the F-22, with contributions from the F-35, are what will carry America's Air Force forward to continue to provide that capability. Fifth-generation aircraft possess the survivability to operate despite these threats, and the Nation will need them in quantity.

In FY14, the Air Force will focus on maintaining air superiority by investing \$1.3 billion to modernize the F-22 and F-15 fleets. The last F-22A was delivered in May 2012. The current F-22 upgrade programs include hardware and software enhancements to improve electronic protection, weapons capabilities, and service life. The F-15 is undergoing full scale fatigue testing to determine remaining service lifespan. In FY14, the Air Force is requesting \$308 million for F-15 fleet radar and electronic warfare upgrades that will permit it to operate in conjunction with fifth-generation aircraft in the future threat environment.

## **Space Superiority**

Along with air superiority, space superiority is integral to our forces' ability to remain free from attack and have the freedom to attack in the air, on land, and at sea. Joint, interagency, and coalition forces depend on Air Force space operations to perform their missions every day. For example, the Global Positioning System (GPS) enables precision guided munitions employment by all Services, in all weather conditions, minimizing collateral damage and providing the nanosecond-level timing needed by today's interconnected and highly-networked communications systems. Beyond defense uses, annual GPS benefits to the economy are in the tens of billions of dollars. Air Force military satellite communications (MILSATCOM) systems, including Advanced Extremely High Frequency (AEHF) and Wideband Global SATCOM (WGS) satellites, provide wideband and protected communications to deployed forces around the globe. This enables the command and control needed by our joint force commanders and allows deployed warfighters to receive intelligence, logistical, and other support from those serving at their home stations.

In calendar year 2012 (CY12), the Air Force launched nine National Security Space (NSS) satellites to bolster our GPS, MILSATCOM, and situational awareness, and this year, we have successfully launched an additional satellite to enhance our missile warning capability. These launches include putting the fourth WGS, the second AEHF satellite, and the Space-Based Infrared System (SBIRS) GEO-2 satellite into orbit. The Air Force also delivered to orbit a new communications satellite for the Navy, a third GPS II-F satellite, and four National Reconnaissance Office satellites, as well as handled the third successful launch of an orbital test vehicle (OTV), including the first reuse of OTV-1. These launches make 58 consecutive successful Evolved Expendable Launch Vehicle (EELV) launches to date and 90 consecutive successful NSS missions.

To continue to advance our space superiority mission, the Air Force will continue to launch satellites to enhance the GPS, AEHF, WGS, Defense Meteorological Satellite Program (DMSP), and SBIRS constellations. In CY13, in addition to the SBIRS GEO-2 launched in March, the Air Force has five more launches planned—two GPS, one AEHF, and two WGS. In CY14, the Air Force plans five launches—three GPS, one DMSP, and one additional EELV launch. Each of these launches will continue the necessary modernization of space-based positioning, navigation, and timing, protected communications, weather monitoring, and missile warning.

Despite our success in space, we cannot take our space technological capabilities and advantages for granted. The barriers to space access have dropped; nine nations have cleared the engineering and technical challenges required to reach space independently, and at least 40 other nations have a space presence. As a result, the current space environment is more congested, contested, and competitive than ever, and we will see this trend continue for the foreseeable future. To ensure that America remains a nation with unfettered access to space and superior space capabilities, the Air Force is pursuing ways to maintain a resilient and affordable system architecture. Building and launching satellites is expensive, and we are exploring ways to reduce costs, increase competition, and improve resiliency without introducing unacceptable risk.

Our space programs demand significant modernization investment, and the pace of modernization for those programs often is based on the life expectancy of on-orbit capabilities. The Air Force's 10 largest programs include four space systems upon which the joint team and the American public depend. We must sustain these critical space capabilities with a focus on warfighting and mission assurance priorities, while accepting risk to meet fiscal goals.

To get our satellites safely into orbit, the Air Force has implemented a new EELV acquisition strategy to efficiently purchase up to 36 EELV common core boosters at a savings of more than \$1 billion. This strategy also introduces a competitive environment for up to 14 additional common core boosters for which new launch provider entrants can compete, starting as early as FY15, giving new entrants a clear path to compete for future NSS missions. For FY14, we are investing \$2 billion in EELV.

Our Efficient Space Procurement (ESP) strategy<sup>2</sup> is driving down satellite costs, resulting in savings across the future years defense program (FYDP) of more than \$1 billion for AEHF satellites, and modernizing MILSATCOM systems to provide greater capacity, force reach back, and access in benign, contested, and nuclear environments. To improve our ability to provide global, persistent, and infrared surveillance capabilities, the Air Force is requesting \$1.2 billion in FY14 for sustained funding of the Space-Based Infrared System (SBIRS). We have already achieved over \$500 million in savings due to our "block buy" approach and have the potential for additional future savings in the SBIRS program due to the ESP strategy.

<sup>1</sup> 

<sup>&</sup>lt;sup>1</sup> Resilience is the ability of an architecture to support the functions necessary for mission success in spite of hostile action or adverse conditions. An architecture is "more resilient" if it can provide these functions with higher probability, shorter periods of reduced capability, and across a wider range of scenarios, conditions, and threats. Resilience may leverage cross-domain or alternative government, commercial, or international capabilities.

<sup>&</sup>lt;sup>2</sup> ESP is an acquisition strategy that builds on the Office of the Secretary of Defense, Cost Assessment and Program Evaluation-developed concept known as Evolutionary Acquisition for Space Efficiency (EASE). EASE sought to lower the cost of acquiring space systems by using block buys and reinvesting the savings into the Space Modernization Initiative. The Office of the Assistant Secretary of the Air Force for Acquisition took the EASE concept as a building block and added "should cost/will cost" methodology and fixed price incentive fee contracting.

In addition to replenishing and modernizing aging satellite constellations in critical space mission areas, the Air Force must improve space surveillance and the resilience of space-based capabilities. Therefore, in FY14, we are requesting \$1.2 billion to modernize the GPS space, control, and user segments, including the addition of new signals and enhanced anti-jam capabilities. To ensure precision navigation and timing capabilities in the future, we are also developing technologies, including chip scale atomic clocks, cold atoms, and vision-based navigation to reduce dependency on GPS. Space situational awareness (SSA) is truly foundational for ensuring our ability to operate safely and effectively in space. To improve our ability to discover, search, and monitor near earth objects, we are requesting \$403.7 million to fund the Space Fence, a new system that will provide increased capacity to observe objects in space and, therefore, improve our ability to safely operate our critical space systems.

#### **International Space Partnerships**

The Air Force remains fully committed to the long-term goal of fostering international relationships and supporting ongoing security efforts with partner nations around the globe. Teaming with allies and partners not only helps cost-sharing, but it also increases their capability and their capacity to support contingency operations. Space is an area in which we have made significant progress in building partnerships. For example, in May 2012, the Air Force concluded a United States-Canada SSA partnership memorandum of understanding (MOU) regarding the Canadian Sapphire satellite system, and we successfully concluded a United States-Australia MOU in November 2012 to begin an eight-year, bilateral effort to provide dedicated space surveillance coverage in the southern hemisphere. International partners are also supporting our SATCOM efforts. In January 2012, the Air Force signed the WGS MOU with Canada, Denmark, Luxembourg, the Netherlands, and New Zealand to enable expansion of the WGS program to a ninth satellite, thus increasing interoperability and partner access to the system. We are also acquiring and fielding the AEHF constellation in cooperation with our international partners from the United Kingdom, the Netherlands, and Canada. In addition, the Air Force has also established nine bi- or multi-lateral international agreements to advance the benefits of the GPS system.

In coming years, our Nation's ability to gain and maintain superiority in air and space will become progressively more contested as sophisticated technologies continue to proliferate. Beyond modernizing our systems, the key to maintaining air and space superiority is ready and trained Airmen who are properly equipped for their mission. When called upon, these Airmen must command a well-honed combat edge so that they are ready to prevail even against the most advanced opponents.

# INTELLIGENCE, SURVEILLANCE, AND RECONNAISSANCE... EYES AND EARS ON ADVERSARIES

Since the beginning of armed conflict, superior knowledge of adversary intentions, capabilities, and actions has been a critical enabler to victory. The evolution of globally integrated ISR has fundamentally changed how our military fights wars. The tremendous demand for Air Force ISR during recent conflicts and crises highlights their combat advantage. ISR capabilities are among the first requested and deployed, and they are increasingly essential to all facets of Air Force and joint operations. Airmen deliver integrated, cross-domain ISR capabilities that allow the Air

Force to provide our Nation's decision-makers, commanders, and warfighters with a continual information advantage over our adversaries.

The Air Force ISR force is networked to provide both foundational intelligence and immediate warfighter support. Sensors operating in air, space, and cyberspace, global communication architectures, and a network of regionally aligned centers enable our forces to conduct exploitation and analytical efforts in support of combatant commander requirements. The Air Force Distributed Common Ground System (DCGS) is a critical capability within this global network, providing decision advantage across the spectrum of conflict, in all theaters, and in support of all operations.

Last year, our ISR Airmen conducted intelligence preparation of the operational environment, shaped combat plans for 33 named operations, enabled the removal of 700 enemy combatants from the fight, and provided critical adversary awareness and targeting intelligence to U.S. and coalition forces in over 250 "troops-in-contact" engagements. ISR Airmen enhanced battlespace awareness through 540,000 hours of sustained overwatch of tactical maneuver forces and lines of communication and identified over 100 weapons caches and explosive devices that would have otherwise targeted American and partner forces.

#### ISR Force Structure and Modernization

In FY14, our ISR budget request maintains investments in the DCGS, the MQ-1 Predator, the RC-135 Rivet Joint, the RQ-4 Global Hawk Block 40, and U-2 programs, and makes internal adjustments in MQ-9 Reaper program funding so that the program was able to meet a key acquisition milestone.

The Air Force remains on track to field 65 MQ-1B Predator and MQ-9A Reaper combat air patrols by May 2014. To maintain our ability to conduct counterterrorism operations, we are standing-up five new medium-altitude remotely piloted aircraft combat air patrols in calendar year 2013 and continuing our transition to an all-MQ-9 fleet. We have built a highly effective permissive ISR capability—a growth of 4,300 percent since 2000—but the survivability in contested environments of some remotely piloted aircraft (RPA) is questionable. Therefore, in a post-Afghanistan security environment and as we rebalance to the Asia-Pacific, we are reviewing the need to adjust the RPA mix toward more survivable systems.

The enduring and universal requirement for ISR capabilities, coupled with a complex and dangerous future security environment, drive the need to modernize our ISR forces. This modernization will include improved automated tools for the Air Force DCGS, a system that allows the processing, exploitation, and dissemination of an enormous amount of information every day, as well as integrated networks that are secure and reliable. The regionally aligned distributed ground sites will be the centerpiece of our cross-domain, global ISR enterprise and will allow Airmen to exploit real-time data from sensors and platforms, even in contested environments. To modernize to an easily upgradable and interoperable architecture, we must overcome policy and technical impediments to allow for seamless intelligence sharing and integration with intelligence community agencies, other Services, and coalition partners. The FY14 PB requests \$62 million for military construction investments for a new DCGS building to support more than 200 operators, maintainers, support personnel, and mission systems at Beale AFB, California.

Significant reductions in Air Force-provided ISR capabilities would be inconsistent with the current needs of our joint forces. Although ISR forces will continue to engage in counterinsurgency and counterterrorism operations, they must also evolve to address the challenges of the more contested environment of the Asia-Pacific region, including increased emphasis on air and naval forces, as well as greater cooperation and partnership with allies and regional partners. For example, we are currently exploring potential ISR efficiencies that can be gained by collaborating with the Navy, and we continue to grow and mature our intelligence partnerships with strategic allies across the Pacific. One ISR Airmen will also continue their partnerships within the intelligence community to leverage national capabilities for the air component commander and better position combat support agencies to support air, space, and cyber operations.

To enhance our ability to conduct ISR across the range of military operations, we must shift our efforts to solutions that enable robust and reliable communication architectures, all-domain data processing and exploitation, advanced analytical tools, and cross-domain targeting. We are dedicated to improving the automation and machine-to-machine capabilities of intelligence analysis systems in order to deliver greater operational advantage to combatant commanders. Therefore, in the FY14 PB, we are requesting an increase of 88 personnel at the Air Force Targeting Center to support deliberate planning requirements, and we are investing \$20 million for network centric collaboration targeting capabilities, which includes developing targeting automation tools, machine-to-machine interfaces, and auto-populate capabilities across ISR intelligence and command and control systems. We also plan to add Air National Guard targeting units at two locations to solidify our commitment to reinvigorating the Air Force targeting enterprise.

The strength of our Air Force ISR enterprise continues to be our professional, well trained, and dedicated Airmen, officer, enlisted, and civilian, who take all this technology and data and transform it into a decision advantage for our Air Force, our joint teammates, and our Nation. Air Force ISR allows our forces to own the night in Afghanistan, connect with partners across Europe and Africa, and provide warning on the Korean peninsula. The integration of air, space, and cyber ISR is a powerful capability—one in which we must continue to invest our talent and resources.

## RAPID GLOBAL MOBILITY... DELIVERY ON DEMAND

The Air Force's rapid global mobility core mission projects American influence quickly and precisely to anywhere on the face of the earth. Air mobility forces provide swift deployment and sustainment capability by delivering essential equipment and personnel for missions ranging from major combat to humanitarian relief operations around the world and at home. On any given day, the Air Force's mobility aircraft deliver critical personnel and cargo and provide airdrop of time-sensitive supplies, food, and ammunition on a global scale. America's mobility fleet averages one take-off or landing every two minutes, every day of the year.

#### Airlift

The Air Force provides unprecedented airlift responses through our strategic and tactical airlift fleets. Here at home, a 12-base effort was initiated within 72 hours of Superstorm Sandy's landfall in October 2012. Active and Reserve airlift crews from Wright-Patterson Air Force Base (AFB), McChord AFB, and Travis AFB converged on March Air Reserve Base and worked

together to move 356 utility workers from across California and 134 utility vehicles with their associated equipment—totaling 2.4 million pounds of cargo—in less than 96 hours to places like Stewart Air National Guard Base and John F. Kennedy International Airport in New York. This Total Force effort helped quickly bring utility trucks and workers to where they were needed on the East Coast to help restore power to affected Americans four days sooner than if the vehicles and equipment would have been driven across the country.

In CY12, Airmen flew 38,000 airlift missions, and over the course of 1,300 airdrops, the Air Force dropped 40 million pounds of life-saving sustainment to coalition forces on the ground in Afghanistan—86 percent more than the entire Korean War. The capability to airdrop personnel, equipment, and humanitarian relief, especially in contested environments, remains critical to our Nation's defense.

For the inter-theater airlift fleet, C-17 procurement will complete this year, but essential modernization programs to standardize the configuration of the entire 223 aircraft fleet continue. Our FY14 budget request includes \$1.1 billion to continue the conversion of 52 C-5B aircraft to C-5M Super Galaxy aircraft, with expected completion in FY17.

In FY14, the Air Force will also continue its efforts to modernize its intra-theater airlift and special operations C-130-type aircraft. In 2014, the Air Force seeks congressional support to embark upon a C-130J multi-year procurement contract that will extend through FY18. Over the course of this contract, we will procure 72 C-130J-type aircraft to further recapitalize our airlift, special operations, and personnel recovery platforms. The contract is expected to provide approximately \$574.3 million worth of savings to the Air Force over the life of the procurement program and deliver aircraft earlier than annual contracts would.

Supported by the C-130 multi-year contract, the Air Force has programmed \$963.5 billion dollars to continue procurement of AC/MC-130Js to recapitalize Air Force Special Operation Command's MC-130E/P and AC-130H aircraft. The AC-130H recapitalization effort concludes in FY14, as does the CV-22 procurement, with the purchase of the last three airframes.

#### Air Refueling

Mobility forces also provide in-flight refueling—the linchpin to power projection at intercontinental distances. Over the past 50 years, the Air Force has provided unparalleled air refueling capability to support the interests of our Nation and her allies. The Air Force flew 16,000 tanker missions last year, and since September 11, 2001, America's tanker fleet has offloaded over 2.36 billion gallons to joint and coalition air forces. The new KC-46 tanker will help maintain this capability—the backbone of America's military reach—while also extending the range and persistence of joint and coalition aircraft.

As the Air Force considers where to invest in this core mission area, we are seeking the most effective and efficient way to move people and equipment. We also anticipate a future that will call for us to provide rapid global mobility to remote, austere locations in contested environments. This will first require a very capable tanker fleet. Replacing one-third of the 50 year-old KC-135 aerial refueling tanker fleet with the KC-46A is our top Air Force acquisition priority. The KC-46A program will ensure that our Nation retains a tanker fleet able to provide crucial air refueling capacity worldwide for decades to come. In FY14, we programmed \$1.6 billion dollars for the manufacture of four developmental aircraft. The initial flights of the KC-

46A test aircraft are scheduled to begin in FY14. The program is currently executing as planned, and we are on track to receive 18 operational aircraft by late FY17. Until the KC-46A reaches full operational capability, we are resourcing critical modernization of the KC-10 and KC-135 tanker fleets.

#### Combat Rescue/Aeromedical Evacuation

Combat rescue and aeromedical evacuation forces are other key parts of the rapid global mobility force. The Air Force is the only Service with a dedicated force organized, trained, and equipped to execute personnel recovery. These highly trained Airmen support Air Force, joint, and coalition forces in a wide variety of mission areas. With a unique combination of armed, highly advanced HH-60-G Pave Hawk helicopters and specially trained Airmen, we provide a unique capability to recover wounded soldiers and civilians in environments considered too hostile for standard medical evacuation units. In addition to overseas contingency deployments, these Airmen also serve as first responders during disaster relief and humanitarian assistance operations, making pararescue one of the most highly stressed career fields in the U.S. military. Since 2001, our combat rescue forces have saved over 7,000 lives, and in 2012 alone, they flew 4,500 missions that saved 1,128 coalition, joint and partner nation lives in some of the harshest environments in the world.

Aeromedical evacuation also continues to play a vital role in providing responsive, world-class medical support to wounded soldiers and injured civilians around the globe. In CY12, the Air Force airlifted 12,000 patients; since 2003, we have transported a staggering 195,000 patients. To enhance our response to battlefield evacuation support, we developed and deployed tactical critical care evacuation teams to provide triage care on rotary wing aircraft closer to the point of injury. Our health response teams include rapidly deployable, modular, and scalable field hospitals. They provide immediate care within minutes of arrival, surgery and intensive care units within six hours, and full capability within 12 hours of deployment. These advances have elevated battlefield survival rates to unprecedented levels, with a nearly 30 percent improvement since Operation DESERT STORM (Iraq) in the early 1990s.

With the recapitalization of the HC-130N/P with the HC-130J through the C-130 multi-year program, the Air Force continues its effort to modernize its personnel recovery programs. The Combat Rescue Helicopter Program will replace the aging HH-60G fleet, and the Operational Loss Replacement Program will replace HH-60G aircraft lost during operations over the past decade, returning the HH-60G inventory to 112 aircraft. This year, we budgeted \$393.6 million to finalize the modification process and begin testing the first two aircraft. The ability of Air Force helicopters to fight their way in and out of medical evacuation and recovery operations is unique to the joint team and has proven its value over the past ten years. Currently, the combat rescue fleet is sized appropriately to meet our global strategy.

#### Mobility Force Structure

Air Force mobility forces, including long-range strategic airlifters, tankers, and tactical airlifters are sized to move and sustain joint forces over long distances. Congress manages the long-range fleet to a specific floor, currently 301 aircraft. However, after submission to Congress of a report required by the FY13 National Defense Authorization Act, we anticipate that this floor will be lowered to 275. The tanker fleet is largely right-sized to support the joint force. However, the tactical airlift fleet is sized somewhat larger than the defense strategy requires.

Rapid global mobility will continue to be a critical core mission for the Air Force. Whether it is sustaining the warfighter in any environment or delivering hope with humanitarian assistance, Airmen will ensure that the whole of government and international partners are strengthened with this unique capability to get assets to the fight quickly, remain in the fight, and return home safely.

## GLOBAL STRIKE...ANY TARGET, ANY TIME

As a significant portion of America's deterrent capability, Air Force global strike provides the Nation the ability to project military power more rapidly, more flexibly, and with a lighter footprint than other military options. The Air Force's nuclear deterrent and conventional precision strike forces can credibly deny adversary objectives or impose unacceptable costs by effectively holding any target on the planet at risk and, if necessary, disabling or destroying targets promptly, even from bases in the continental United States. Global strike may entail close support to troops at risk, interdicting enemy fielded forces, or striking an adversary's vital centers from great distances. Credible long-range strike capabilities are indispensable for deterrence and provide fundamental military capabilities to underpin U.S. military power. Air Force global strike capability relies on a wide-range of systems including bombers, missiles, tankers, special operations platforms, fighters, and other Air Force systems.

#### **Nuclear Deterrent Forces**

The unique attributes of the Air Force's nuclear deterrent forces—the stabilizing characteristics of the intercontinental ballistic missiles (ICBM) and the flexibility of the bomber—underwrite the Nation's ability to achieve stability amidst the likely crises and challenges of the coming decades. Air Force B-2 and B-52 bombers and ICBM crews—who continually stand watch all day, every day—provide two legs of the Nation's nuclear triad, while our nuclear command, control, and communications systems provide the National Command Authority the necessary tools to employ all strategic forces. Together, our bombers, tankers, ICBMs, and dual-capable fighters provide this "no fail" capability as the backbone of America's deterrence.

Against a backdrop of increasingly contested air, space, and cyber environments, the Air Force must maintain its ability to hold any target at risk and provide the Nation a credible strategic deterrent force. This capability, unmatched by any other nation's air force, will only grow in importance as America rebalances its force structure and faces potential adversaries that are modernizing their militaries to deny access to our forces. Therefore, the Air Force will modernize global strike capabilities to ensure that American forces are free to act when, where, and how they are needed.

Consistent with the DSG, in FY14, the Air Force is investing in the development of the long range strike family of systems. The Long Range Strike-Bomber (LRS-B)—another of the Air Force's three top acquisition programs—is a key piece of that effort, and we are requesting \$379.4 million for LRS-B in FY14. The Air Force is committed to leveraging mature technologies and streamlined acquisition processes to deliver an affordable new bomber with conventional and nuclear strike capabilities. Therefore, the Air Force will certify the LRS-B for nuclear weapons employment within two years after initial operating capability to simplify the development and fielding of the aircraft, as well as have the benefit of conducting its nuclear certification on a mature system.

While the LRS-B is in development, sustaining and modernizing B-52 and B-2 bombers is critical to ensure that these aging aircraft remain viable. Upgrades to the B-2's Defensive Management System, communications improvements on the B-52 via the Combat Network Communications Technology (CONECT) program, and aircraft sustainment efforts, such as the anti-skid system replacement on the B-52, are just a few examples of steps being taken to ensure the effectiveness of our bomber fleet for years to come. Independent of specific platforms, we budgeted \$122.8 million to continue the adaptive engine technology development effort to mature advanced propulsion technology to decrease fuel consumption and increase range and loiter time.

Nuclear weapons improvements include the B61-12 tail kit assembly program, which is undergoing its preliminary design review. We are also modernizing ICBM fuzes for Mk21 and Mk12A re-entry vehicles, leveraging common technologies and components with the ongoing Navy fuze program.

As long as nuclear weapons exist, the Air Force is committed to meeting the President's direction to maintain safe, secure, and effective nuclear deterrence capabilities. The quantity of nuclear-capable bombers and ICBMs comprising the bulk of the Nation's deterrent force may be reduced as we continue to implement the New START Treaty. However, the treaty allows both sides to determine their own force structures, which gives us flexibility to deploy and maintain our strategic nuclear forces in a way that is best calculated to serve our national security interests. But deeper reductions must consider multi-dimensional challenges from the world's emerging nuclear powers in a more complex security environment. The Nation's nuclear expertise must not be allowed to atrophy, and focused attention is necessary no matter the size of the nuclear force.

#### **Precision Strike Forces**

In addition to nuclear deterrent forces, our conventional precision strike forces hold any target at risk across the air, land, and sea domains. Currently, precision strike forces and armed ISR support joint and coalition ground forces in Afghanistan and Africa. In 2012, the Air Force flew and supported over 28,000 close air support sorties in Operation Enduring Freedom (Afghanistan). However, as our forces rebalance to the Asia-Pacific region and as anti-access/area-denial capabilities proliferate, the ability of our fourth-generation fighters and legacy bombers to penetrate contested airspace will be increasingly challenged.

Success in counterterrorism and irregular warfare missions requires the continued ability to conduct operations in hostile, denied, or politically sensitive environments, using other than conventional forces. Air Commandos provide specialized expertise for infiltration, exfiltration, precision strike, battlefield air operations, ISR, and aviation foreign internal defense that are essential to joint special operations capabilities. In 2012, Air Force special operations personnel executed 1,642 strike missions and 7,713 specialized mobility missions. Persistent special operations presence in Afghanistan and elsewhere, increasing requirements in the Pacific, and enduring global commitments will continue to stress our Air Force special operations Airmen and aircraft.

In FY14, the Air Force is concentrating on funding the F-35 program—one of our top three acquisition programs. While also complementing the F-22's world class air superiority capabilities, the F-35A is designed to penetrate air defenses and deliver a wide range of precision

munitions. This modern, fifth-generation aircraft brings the added benefit of increased allied interoperability and cost-sharing between Services and partner nations. In FY14, we are investing \$4.2 billion in the continued development of the F-35 weapon system and the procurement of 19 low rate initial production Lot 8 aircraft. The Air Force is focused on completion of the system design and development of the F-35 by FY17 and requests \$782.3 million in FY14 for this purpose.

During F-35 development, it is imperative that we maintain our fourth-generation fighter fleet. The F-16 is undergoing full-scale durability testing to inform structural modification efforts to extend its service life. At least 300 F-16s will undergo a service life extension program and a capability enhancement called Combat Avionics Programmed Extension Suite, which permits them to remain relevant in the near-term threat environment until the F-35 is available in sufficient numbers. We are requesting \$52.3 million in FY14 for these enhancements.

Modernizing our munitions to align with the DSG is also an urgent requirement that is fundamental to managing the risk associated with combat force reductions. In FY14, the Air Force is investing \$1.1 billion in preferred conventional munitions, such as the AIM-120D, AIM-9X, AGM-158, and GBU-53, and is developing new munitions to address future needs. We are also continuing our efforts to ensure the safety, security, and effectiveness of our nuclear arsenal.

The Air Force must maintain its ability to neutralize any target at any time with global strike forces so that America's military credibility will remain uncontested, allies will not worry, and potential adversaries will not be emboldened to challenge the pursuit of our national objectives.

## COMMAND AND CONTROL... TOTAL FLEXIBILITY

Airmen employ the Air Force's other four interdependent and enduring core missions through robust, adaptable, and survivable command and control systems. The Air Force provides access to reliable communications and information networks so that the joint team can operate globally at a high tempo and level of intensity. Air Force command and control systems give commanders the ability to conduct highly coordinated joint operations on an unequaled scale using centralized control and decentralized execution.

The Theater Air Control System (TACS) is the Air Force's primary system to enable planning, control, and execution of joint or combined air operations. The senior element of the TACS is the air operations center (AOC). The inherently flexible capabilities of the AOC and its crews allow for deliberately planned responses to anticipated challenges and dynamically planned responses to contingencies. The Air Force's primary TACS weapons systems, such as the Control and Reporting Center (CRC), the E-3 B/C/G Airborne Warning and Control System (AWACS), and the E-8C Joint Surveillance Target Attack Radar System (JSTARS), provide the AOC with the critical battle management, sensors, and communications that are required to get the right information to the right person in a timely manner.

In Operation Odyssey Dawn (Libya) in 2011, TACS Airmen enabled more than 2,000 sorties to enforce the United Nations' no-fly zone. In 2012, Air Force command and control operations included: planning, executing, and controlling over 60,000 combat sorties in support of Operation Enduring Freedom (Afghanistan); over 12,000 sorties in support of Operation Noble Eagle (U.S. air defense); over 1,700 sorties supporting 35 defense support to civil authorities events; over 9,000 global aeromedical evacuation missions; noncombatant evacuation

operations as a result of the terrorist attack on the American embassy in Libya; and over 1,500 ISR missions supporting United States Southern Command and Northern Command. Our command and control systems enabled us to conduct many of these operations simultaneously.

It is essential that we continue to modernize, upgrade, and refit our operational and tactical level command and control systems and sensors to maintain the Nation's advantage in command and control. Our systems are under constant attack, as illustrated by the new and more capable threats emerging daily in the areas of cyber weapons, anti-satellite systems, advanced fighter/attack aircraft, and electromagnetic jamming. Our potential adversaries are also making advances by electronically linking their own combat capabilities, creating new military challenges that our forces must be prepared to address.

To respond to these challenges, the Air Force will field advanced command and control systems that are more reliable, resilient, and interoperable. More importantly, we will recruit and train innovative Airmen to build, manage, and advance our complex and diverse command and control systems while enabling their ready use by our own and allied forces. Modernization of existing systems, such as the CRC and E-3G Block 40/45, and AOC 10.2 will serve as the backbone of this effort. In FY14, we are investing \$396.8 million in E-3G Block 40/45, \$58.1 million in AOC 10.2, and \$26.4 million in CRC. We are also funding critical investments in future capabilities, such as the Joint Aerial Layer Network. The Air Force has also initiated modernization of crucial national command, control, and communications systems and is investing \$52.3 million in FY14 to fund data linkages between fifth-generation aircraft and legacy fleets. Finally, the Air Force continues to examine alternatives for the future of the JSTARS mission area.

## Cyber Capabilities

The capability to deliver airpower is intimately dependent on the ability to operate effectively in cyberspace, which is critical to all of our core missions and many of our command and control systems. Operations in cyberspace can magnify military effects by increasing the efficiency and effectiveness of air and space operations and by helping to integrate capabilities across all domains. Pervasive and highly interconnected, cyberspace operations will remain extremely contested. The United States faces cyber-attacks on key infrastructures. The cost of entry is low, anonymity is high, and attribution is difficult. The Air Force recognizes the severity of these threats, as well as the speed and interconnected nature of cyberspace, and is dedicated to ensuring the access and freedom of maneuver that are essential for effective cyber operations.

Cyber roles and responsibilities are certainly not exclusive to the Air Force; however, the integration of cyber capabilities with each of our core missions is an essential component of how we bring innovative, globally focused "airmindedness" to ensure our warfighting advantage. In FY13, the Secretary of Defense decided on a new force model for Department of Defense (DoD) cyber operations. This model will increase the Air Force cyber force structure and manning. The additional manpower will provide the Air Force capability for national, combatant command, and Air Force cyber missions. For example, the Air Force has increased funding to \$3.6 million in FY14 to Cyber Hunter teams who provide precision capability to identify, pursue, and mitigate cyberspace threats affecting critical links and nodes within the Air Force network.

The Air Force will continue to synchronize forces across air, space, and cyberspace to achieve mission success in dynamic battlespaces and support integrated and interoperable joint command

and control capabilities that are agile, responsive, and survivable, even in contested environments.

## **AIRMEN READINESS AND DEVELOPMENT**

While it is common to define the Air Force by its core missions or by our aircraft, missiles, and satellites, the reality is that our Service's unmatched capabilities exist only because of the imagination and knowledge of our outstanding Airmen. Accordingly, we believe in taking care of our people first, while always remaining focused on the mission. To ensure that our Airmen can continue to power the enduring core missions for the Nation, we must invest in their readiness and development.

#### READINESS

Underpinning our Airmen's ability to provide *Global Vigilance*, *Global Reach*, and *Global Power* to the Nation and contribute our core missions to the joint team is their readiness. "Readiness" is the ability of a unit to provide its designed operational capabilities within the required timeline. It is comprised of personnel requirements, training (to include flying hours), weapon system sustainment, facilities, and installations. A good readiness posture depends on health in all of these key areas. While protecting future readiness includes modernizing the weapons systems and equipment, creating combat readiness in the near-term is a complex task involving the intersection of personnel, materiel, and training. It includes balancing time between operational and training commitments, funding from multiple sources, informed levels of risk, and effectively managing resources to achieve the desired state of readiness.

Mitigating the risk associated with a smaller military requires a fully ready force. A smaller force with less capacity requires greater attention to ensuring adequate personnel levels, aircraft availability, weapons, and sufficient training to support the full range of mission requirements at the desired level of competency. If we attempt to sustain current force levels while personnel and operational costs rise, there will be progressively fewer resources available to support our current number of installations, maintain existing aircraft inventories, vital equipment, and weapons, and invest in future capabilities. These factors become more critical as shortages in aircraft availability, weapons, and key personnel grow and exert a larger negative effect on the overall readiness of the force.

While the Air Force has met the demands of a high operational tempo in support of today's fight, this has inevitably taken a toll on our weapons systems and people, putting a strain on the overall readiness of the force. As reflected by Office of Secretary of Defense (OSD)-mandated Status of Requirements and Training System (SORTS) metrics, we have seen a steady decline in unit readiness since 2003; our readiness must improve. The rebalance to the Asia-Pacific and our continued presence in the Middle East and Africa indicate that the demand for Air Force capabilities will remain constant, or perhaps even rise, over the next decade.

Currently, the bulk of the funding for maintaining numerous missions initially fielded with overseas contingency operations (OCO) funding (e.g., MQ-1/9, MC-12, and the E-11A with its battlefield airborne communications node capability) remains in the upcoming FY14 budget request. If the Air Force is to retain those capabilities for the long-term, funding for the aircraft and the capabilities and the infrastructure that supports them must migrate from OCO funding to an adjusted base budget. If the base budget is not adjusted, these capabilities will either have to

be retired or be retained at the expense of other full spectrum forces and capabilities, which would increase risks.

The Air Force supports combatant command missions that require 24/7 availability and attention. Space operations, command and control, cyber defense, ISR, special operations, personnel recovery, and nuclear deterrence are all high priority missions that cannot be done adequately, and in some cases cannot be done safely, at low readiness levels. In support of U.S. defense strategy, air forces are inherently capable of responding quickly and can be shifted on relatively short notice between critical theaters of operation. Allowing the Air Force to slip to a lower state of readiness that requires a subsequent long buildup to full combat effectiveness will negate the essential strategic advantages of airpower and put joint forces at increased risk.

Therefore, the Air Force's portion of the FY14 PB aligns resources in an effort to slow the readiness decline and sets the stage for restoring full-spectrum readiness. However, as noted previously, the effects of sequestration in FY13 will hamper our readiness efforts in FY14 and beyond. The pillars of our full-spectrum readiness effort include: a consistent, equitable, and attainable flying hour program; prioritized full-spectrum training venues; focused weapons systems sustainment funding; appropriate reallocation of manpower to our highest priority missions; sustainment of our power projection platforms (Air Force installations); and developing and caring for Airmen and their families.

Through planned funding of weapons system sustainment, the flying hours program, training ranges, facilities and installations, and modernization programs, the Air Force could maintain its legacy of "spring-loaded" readiness. In the past 35 years, the Air Force has been called upon nearly 150 times to conduct combat or humanitarian operations in more than 45 countries, and combat sorties in the U.S. Central Command area of responsibility have continued uninterrupted since 1991. The completion of combat operations in Iraq and Afghanistan are important milestones that should provide an opportunity to reset the force, but other international security challenges remain and, in some cases, are growing. America will continue to need a ready Air Force.

#### Weapons System Sustainment (WSS)

WSS is a key component of full-spectrum readiness. Years of combat demands have taken a toll across many weapons systems, and we continue to see an increase in the costs of WSS requirements, which are driven by sustainment strategy, complexity of new weapons systems, operations tempo, force structure changes, and growth in depot work packages for aging, legacy aircraft. With recent force structure reductions, we must carefully manage how we allocate WSS in order to avoid availability shortfalls.

The FY14 budget submission adds \$1.5 billion to the WSS portfolio across the FYDP. Although the FY14 PB adds baseline funds for WSS, we continue to rely on OCO funding for global contingency operations.

WSS funding requirements for combat-ready air, space, and cyber forces have consistently increased at a rate double that of DoD inflation planning factors. Although service life extension programs and periodic modifications have allowed our inventory to support 20 years of unabated operations, the cost of maintenance and sustainment continues to rise. As a result, we want to improve the link between resources and readiness for Air Force weapons systems by reducing

costs, improving risk-based decision making, and balancing costs with performance. To address the trend of higher costs, we are reviewing and streamlining organizations and processes to reduce maintenance and material costs, develop depot efficiencies, and manage weapons systems requirements growth. We are taking actions to reduce requirements by examining the potential for restructuring or modifying new and existing contractor logistics support contracts to optimize tradeoffs, provide visibility, and improve flexibility between costs and outcomes. We will also leverage risk-based strategies and evaluate maintenance schedules to maximize aircraft availability and apply performance-based logistics solutions to balance total sustainment costs with performance.

Despite our efforts, WSS costs are still expected to grow, and new, more capable aircraft are often more expensive to maintain than those they replace. In the current fiscal environment, our efforts to restore weapons system availability to required levels will be a serious challenge.

#### Flying Hour Program (FHP)

The emphasis on readiness in the DSG reinforced the need to implement a FHP that achieves full-spectrum readiness. The Air Force balanced the allocation of flying hours across the Total Force to incrementally improve readiness levels. The flying hour program will continue to rely on OCO funding to support Operation Enduring Freedom and the redeployment of combat forces from Afghanistan. With the expectation of decreasing OCO flying hours, we have programmed increasing O&M-funded flying hours in FY15 and throughout the FYDP. Beginning in FY15, the program is approximately 90 percent of the peacetime training requirement to attain full-spectrum readiness across the Total Force, reflecting our assessment of the full executable program.

We are also committed to a long-term effort to increase our live, virtual, and constructive operational training (LVC-OT) capability and capacity by funding improvements in LVC-OT devices (e.g., simulators and virtual trainers) and networks. Adjustments to the flying hour programs will continue to evolve as the fidelity of simulators and LVC-OT capabilities improve. Increasing our virtual capabilities will minimize fuel consumption and aircraft maintenance costs while ensuring high quality training for our aircrews. In FY14, we are investing \$3.3 million for LVC-OT purposes.

#### **Training Ranges**

Full-spectrum training requires the availability of air-to-air and air-to-ground training ranges. Many of our ranges are venues for large-scale joint and coalition training events and are critical enablers for concepts like Air-Sea Battle. In FY14, we are requesting range O&M funding of \$75.8 million to sustain these crucial national assets to elevate flying training effectiveness for the joint team, which in turn improves individual and unit readiness levels. Unfortunately, previous years' baseline range funding was at levels as low as 25 percent of requirements, resulting in a corresponding corrosive effect as range infrastructure deteriorated and aircrews only maintained readiness in skill sets oriented toward current combat operations. This year, we are reversing this trend by raising baseline range funding to 74 percent of requirements to begin a return to full-spectrum readiness. As we continue to realign to the DSG, additional range investment and sustainment funding will be necessary to ensure that our combat forces are prepared for the full range of potential threats and environments.

In FY14, the Air Force is poised to work with the joint community to enhance cyber ranges to enable realistic testing and evaluation of new cyber concepts, policies, and technologies. These ranges will provide a venue for evaluating network services, information assurance, and offensive and defensive cyber capabilities in a closed and secure environment. Coupled with the Air Force's program for simulator-based cyber education, training, crew certification, and exercises, these cyber ranges will provide trained and tested cyber operators able to strike targets anywhere on the globe, as well as defend against foreign and domestic attacks.

#### Facilities, Installations, and Energy

From cyber to long-range strike, installation readiness buttresses the Air Force's core mission. Therefore, the Air Force's FY14 budget request employs a balanced approach to our installation investment strategy. Our installations are power projection platforms comprised of both built and natural infrastructure that: (1) effectively enable Air Force core operational capabilities—we deliver air, space and cyber capabilities from our installations; (2) send a strategic message of commitment to allies and intent to adversaries; (3) foster partnership-building by stationing our Airmen side-by-side with our coalition partners; and (4) enable worldwide accessibility in times of peace or conflict. Therefore, we must maintain sustainable installations to enable Air Force support to the vectors outlined in the DSG.

In the FY14 PB, the Air Force returned military construction (MILCON) investment levels to near historic norms following the deliberate pause of FY13. This year, the \$1.2 billion investment focuses on supporting beddown requirements for the F-35 and KC-46, combatant commanders' top priorities in cyber and nuclear deterrence, and the re-balance to the Asia-Pacific theater.

Recognizing the links between MILCON and facilities sustainment, restoration, and modernization (FSRM), we are funding facilities sustainment at 80 percent of the OSD facilities sustainment model requirement, and we added over \$400 million for restoration and modernization across the FYDP to enable consolidation efforts and improve the quality of our most mission-enabling facilities.

Foundational to all of our efforts, energy enables the force and sustains our national security posture. Energy, which comprises about eight percent of the Air Force budget, enables Air Force core missions, and fuels our operational capabilities. The Air Force recognizes the vulnerability and volatility created by our dependence on finite, non-renewable energy supplies. Therefore, we are committed to increasing energy security and becoming ever more energy efficient. We have already made great strides in reducing consumption and improving efficiency. Since 2006, the Air Force has reduced its fuel consumption by 12 percent, exceeding a 10 percent reduction goal three years ahead of schedule.

Overall, our focus is to reduce our energy footprint across all operations. Investments we made in FY12 to improve our facility energy efficiency and reduce our energy requirement are expected to start generating savings in FY14. The Air Force is also looking to improve its energy security and diversify its energy supply through increased use of renewable energy. We also plan to improve our energy security by making the most of private sector knowledge, technology, and financing to capitalize on underutilized land on our installations.

#### The Need for Base Realignment and Closure

As we make efforts to improve and sustain our installations, we also recognize that we are carrying infrastructure that is excess to our needs. A capacity analysis conducted prior to the 2005 BRAC suggested that the Air Force had 24 percent capacity that was excess to our mission needs. However, the 2005 BRAC did not make major reductions to Air Force facilities, and since that time, we have reduced our force structure by more than 500 aircraft and reduced our active duty military end-strength by seven percent. The Air Force currently has significant excess infrastructure that is very expensive to maintain in terms of both financial and human resources. In the current and projected fiscal environment, we simply cannot afford it. The Air Force has limited authority under current public law to effectively consolidate military units or functions and divest excess real property. The money that we are spending on maintaining excess infrastructure is more urgently needed to recapitalize and sustain our weapon systems, improve readiness, and invest in the quality of life needs of Airmen.

#### Readiness and Modernization

The decline in future budgets does not allow us to improve readiness while also maintaining force structure and continuing all planned investment programs. To prioritize readiness, we have made a conscious choice to take some risk by making sacrifices in modernization programs. Although we have been more effective in our use of operating resources and garnered savings from better business practices,<sup>3</sup> the Air Force has been forced to terminate or restructure several programs. Program restructures and terminations include terminating the Space Based Surveillance Block 10 follow-on, freezing Gorgon Stare at Increment II, terminating Air Force participation in the Joint Precision Approach and Landing System land-based segment, and divesting the UAV (unmanned aerial vehicle) Battlelab in FY14.

The Air Force also terminated acquisition of the underperforming Expeditionary Combat Support System (ECSS). ECSS was initiated in 2005 in an effort to provide end-to-end visibility of the Air Force's supply chain and enable better logistics decision-making. As planned, ECSS would have transformed the logistics enterprise, making all aspects interoperable and synchronized with the financial and accounting systems to enhance business and mission operations and realize efficiencies. Unfortunately, after several years of schedule delays, poor contractor performance, and cost increases, we determined that the program could not meet the FY17 financial improvement and audit readiness statutory requirement and was not likely to achieve other promised capabilities at an affordable cost. Instead of continuing to spend money on an underperforming program, the Air Force determined that the prudent course of action was to pursue other ways to transform our logistics business processes.

The FY13 sequestration cuts took away all program flexibility, deferred some buys, added risk to many programs while at the same time forced us to reallocate investment funds to more critical O&M needs. Budget projections for FY14 and beyond, along with the FY13 cuts, may force us to halt or slow pending development or productions milestones on 11 acquisition category (ACAT) 1 programs. Small scale program terminations began in FY13, and we will have to

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<sup>&</sup>lt;sup>3</sup> There are \$1.3 billion in FY14 funding reduction adjustments and \$7.9 billion across the future years the Air Force has categorized as being reflective of a more disciplined use of resources. Program terminations and restructures are \$2.4 billion of this total. Savings from better business practices and more effective use of operating resources total \$3.2 billion across the future years.

consider expanding terminations in FY14. Similarly, several key modernization priorities remain unfunded given the current fiscal environment, including a replacement for the aging T-38 trainer and the JSTARS surveillance aircraft.

America's Air Force remains the most capable in the world, but we cannot allow readiness levels to decline further and modernization cannot wait for the next cycle of increased defense spending. We have important production lines under way and development programs that are, or will soon be, mature enough for production. Cancelling programs in anticipation of a future generation of technology would be wasteful and, in some cases, risk the loss of critical engineering talent and technological advantage. New threats and corresponding investment needs are not theoretical possibilities for the future. They are here, now. The future success of the Nation's military and the joint team depends on modernizing our Air Force and keeping it ready to fight.

## AIRMEN DEVELOPMENT

The Air Force's strategic advantage begins with its ability to attract, recruit, develop, and retain innovative warriors with a commitment to high standards and our core values of *Integrity First*, *Service Before Self*, and *Excellence In All We Do*. To accommodate an uncertain and fiscally challenging future, we must continue to invest in our Airmen through education, professional development, and support programs for Airmen and their families, coupled with other programs to maintain a safe, respectful, and positive work environment. We are focusing on the recruitment, development, retention, and overall effectiveness of each individual Airman. Through this investment, we will not only improve the capability of today's force, but also illustrate our commitment to future generations of Airmen to ensure a diverse and inclusive rich pool of the highest quality recruits well into the future.

#### Sexual Assault Prevention and Response

Providing a safe, respectful, and productive work environment is the responsibility of every Airman at every level, and we are working hard to achieve this. We do not tolerate sexual assault. In the last year, the Air Force redoubled its efforts to eradicate sexual assault within our ranks, and we have invested in several programmatic, educational, and resourcing efforts aimed at reinforcing a zero tolerance environment. When sexual assaults are alleged, we are providing improved support to victims. In coordination with OSD, the Air Force created a special victims capability comprised of specially trained investigators, prosecutors, paralegals, and victim and witness assistance personnel. A cadre of 24 special investigators has received special victim training, along with 16 senior trial counsel, nine of whom specialize in the prosecution of particularly difficult cases, including sexual assault cases. In addition, 60 Air Force attorneys have been identified and trained to serve as "special victims' counsel" to provide comprehensive and compassionate representational legal assistance to victims. Special victims' counselors currently represent over 200 sexual assault victims. The Air Force has also approved all 46 expedited transfer requests for Air Force victims over the past year, to include both permanent change-of-station and local installation reassignments, and we continue to employ over 3,100 volunteer victim advocates. In accordance with the FY12 National Defense Authorization Act (NDAA), each of these volunteer victim advocates will receive full certifications to provide confidential victim support beyond the training they already receive, and the Air Force is on track to place a full-time victim advocate at every installation by October 1, 2013.

#### Innovative, Global Airmen

Globalization and the pace of technology advances are accelerating. Airmen work with advanced technology every day, and developing innovative and technically-savvy Airmen to continue to operate on the cutting edge is the lifeblood of our Service. The Air Force's ability to leverage and field crucial technologies is dependent on America's aerospace research and development infrastructure—a national asset that must be protected to ensure future U.S. advantages in technology, commercial aviation, and space. Accordingly, we are protecting science and technology funding as a share of our total resources. To ensure that Airmen increase their technical acumen, we are strategically managing our science, technology, engineering, and math (STEM) workforce and conducting outreach activities to recruit and train an adequate and diverse STEM talent pool to develop, operate, and maintain our technical advantage. While Airmen must remain technically proficient, we are most interested in whole person development – creating leaders of character who demonstrate creativity and empathy in addition to technical competency.

Globalization also makes the development of a global community of Airmen a more achievable goal. Efforts to enhance the language and cultural skills of the force continue to lay the groundwork for access and coalition building activities that enable future cooperative efforts with friends and allies. Likewise, outreach through foreign professional military education programs where members of other nations attend Air Force programs, as well as personnel exchange programs, significantly increases the likelihood of current and future cooperative relationships. The combined effects of these personnel programs and relationship-building efforts help ensure that future leaders of friendly foreign air forces will continue to regard the U.S. Air Force as one of the finest air forces in the world.

#### Airmen and Family Support

The quality of Airmen and family support programs remains a critical element of the Air Force resilience program. Using a strength-based approach to the resilience program builds an improved ability to cope with stress and forms the basis for an approach for suicide prevention. Regardless of the fiscal environment, the Air Force must continue to address the Service's evolving demographics and maintain balanced, healthy, and resilient Airmen and families. We will adjust, consolidate, or eliminate services where required to meet changing demands, capitalize upon community resources, and gain efficiencies where possible.

To better support our Airmen and families, we continue to move forward with our "3 to 1 Total Force Personnel Management" initiative. This effort integrates personnel management policies, processes, and procedures across the Total Force to create a more efficient and effective Air Force. To the greatest extent possible, "3 to 1" will yield uniformity, enhance coordination across components, optimize war fighter support, and improve service levels for our Airmen. This effort will also eliminate cumbersome paper-based personnel workflows, standardize human resource management under common directives, and provide "one-stop shopping" for personnel support from anywhere, at any time. Finally, we expect this effort to ease Airmen transitions on and off active duty and across the three components, all of which are vital to our Air Force mission.

Our Airmen continue to contribute significant capabilities in the joint arena and do so with the integrity and excellence expected of them. They remain committed to the Air Force mission and

our core values. It is imperative for us to apply sufficient resources coupled with well-informed personnel policies to support and maintain our high quality, all-volunteer force, retain their trust and confidence, and empower them to *fly*, *fight*, and *win*.

## **ACTIVE/RESERVE COMPONENT BALANCE**

Today's Total Force consists of about 329,500 Regular Air Force (or Active) Airmen, 105,700 Air National Guardsmen, and 70,900 Air Force Reserve Airmen actively serving in the Selected Reserve, as authorized by the FY13 NDAA. For FY14, the total number of Airmen will decrease slightly to 327,600 Active Airmen, 105,400 Guardsmen, and 70,400 Reservists. In addition to these numbers, the Air Force Reserve maintains a strategic depth of more than 790,000 stand-by or non-participating Reservists and retirees who can be called up for national emergencies. We are one Air Force—Regular Air Force, Air National Guard, and Air Force Reserve Airmen—working together as a Total Force team every day around the world.

There is great interdependence between Active, Guard, and Reserve forces. We must ensure the right balance between them because too much force structure in the Active component does not capitalize on potential lower operational costs of personnel and installations in the Reserve component. Too little force structure in the Active component requires Guardsmen and Reservists to deploy more often—even in peacetime—which breaks the model of a part-time force, threatens the sustainability of the Total Force, and increases costs significantly.

The analytical foundation used to develop Active and Reserve component force balance starts with the National Defense Strategy. The strategy is based on scenarios and associated concepts of operation and forces developed by the Office of the Under Secretary of Defense for Policy, the Joint Staff, and the Office of the Secretary of Defense, Cost Assessment and Program Evaluation. These scenarios form the common starting point for all DoD force structure assessments and include major contingency demand (i.e., surge) as well as pre- and post-contingency rotational demand (non-surge and post-surge, respectively). Force demands, both surge and post-surge rotational, are compared to projected inventories to determine how much and what type of force structure is required. Capabilities and risk are balanced across the Air Force's core missions to field the most capable and sustainable force within available resources. Analysis of Active and Reserve component force levels provides insights into the balance within this force that can most effectively and efficiently meet demand within DoD deployment goals.

Maintaining the appropriate Active and Reserve component force mix is critical to the ability of the Air Force to meet forward presence requirements, maintain rapid response, and meet high-rate rotational demands within a smaller force. Additionally, appropriate force mix is critical to the sustainment, readiness, and health of the Total Force components. Force mix decisions cannot be made based solely on cost. We must consider the symbiotic relationship of the Active and Reserve components and treat the three components as a complete system, evaluating the effects of change on all components to better understand unintended consequences to the whole. For example, Reserve forces depend on healthy Active component forces from which trained and experienced Airmen transition to part-time status. If the Active component force becomes too small, the flow of personnel into the Reserve component will slow, driving the Reserve components to increase direct-entry recruitment, causing experience levels to fall and costs to rise. Our analysis also will consider how the Reserve component leverages important civilian skills and experience, such as in cyber, for the needs of the Nation. Air Force leaders must have

the flexibility to reorganize force structure within the Active and Reserve components to maintain the health of the Total Force and its ability to ultimately execute the National Military Strategy.

#### **Total Force Initiatives**

To get a better understanding of our Total Force mixture, we launched the Total Force Task Force, a team led by three two-star general officers from the Regular Air Force, the Air National Guard, and the Air Force Reserve. The Total Force Task Force is leading a reassessment of the Air Force's efforts to develop the appropriate Active and Reserve component balance through processes that enable the Department of the Air Force to leverage the inherent strengths, unique aspects, and characteristics of each component. The Total Force Task Force is conducting a comprehensive review of Total Force requirements and will develop strategic options to ensure that the Air Force balances the strengths of each component while sustaining necessary capabilities in the years ahead. The team is scheduled to present their findings by October 1, 2013. We expect the task force to serve as a focal point for the National Commission on the Force Structure for the Air Force that was directed by Congress and is scheduled to provide a report to the President by February 1, 2014.

Total Force Integration (TFI) works to shape the most capable force possible under fiscal and operational constraints for our current and future force. TFI associations are a cost-efficient value to the taxpayer as the Active and Reserve components share equipment and facilities. We are increasing the number of units that partner Active, Guard, or Reserve Airmen at a single location. We currently have 121 such unit associations and plan to add additional associations; however, implementation of the FY13 NDAA may affect the number of associations. Already a success story for mobility forces, we are planning for every U.S.-based Reserve fighter unit to become an association with the Regular Air Force within the FYDP, as will the continental United States locations for the KC-46 tanker. We will continue to refine this combination of Active and Reserve forces across all appropriate areas of the Total Force.

Force structure changes require continual dialogue between the Active component, the Air Force Reserve, the Air National Guard, and the respective governors. Over the past year, we have worked with OSD, the National Guard Bureau, and the Council of Governors to formalize a consultative process to exchange views, information, and advice, consistent with the applicable guidelines on programming and budgetary priorities and requirements on matters specified in Executive Order 13528. Recently, DoD and the Council of Governors agreed to the "State-Federal Consultative Process for Programming and Budgetary Proposals Affecting the National Guard." This process will, among other things, increase National Guard involvement in DoD's planning, programming, budgeting, and execution processes and improve the dialogue between the Council of Governors and the DoD before resource decisions affecting the National Guard are made. It is essential that we manage the health of the Total Force holistically, and we are committed, now more than ever, to strengthen our integration of effort.

#### CONCLUSION

From airpower's earliest days, Airmen have exploited technology to provide essential knowledge and information on when and where to act, to move people and materials when and where needed, to control the ultimate high ground, and to strike when and where directed.

We are confident in our Airmen. They are the best in the world, and we can rely on them to meet any challenge, overcome any obstacle, and defeat any enemy—as long as they are given adequate resources and the freedom to innovate. As they have time and again, our innovative Airmen will find new and better ways to approach future military challenges across the spectrum of conflict, throughout every domain, and against nascent and unpredicted threats.

The Air Force's core missions will continue to serve America's long-term security interests by giving our Nation and its leadership unmatched options against the challenges of an unpredictable future. In the last several decades, Air Force airpower has been an indispensable element of deterrence, controlled escalation, and, when so tasked by the Nation's leadership, been an instrument of destruction against an adversary's military capability—all accomplished with minimal casualties to U.S. servicemen and women and civilians. However, investments in Air Force capabilities and readiness remain essential to ensuring that the Nation will maintain an agile, flexible, and ready force. This force must be deliberately planned and consistently funded, as reconstitution of a highly sophisticated and capable Air Force cannot occur quickly if allowed to atrophy.

Today's Air Force provides America an indispensable hedge against the challenges of a dangerous and uncertain future. Regardless of the future security environment, the Air Force must retain and maintain its unique ability to provide America with *Global Vigilance*, *Global Reach*, and *Global Power*.

We are committed to excellence and we will deliver with your help. We ask that you support the Air Force budget request of \$114.1 billion for FY14.