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Testimony of

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before the

Senate Committee on Armed Services regarding

"The National Commission on the Structure of the Air Force in review of the Defense Authorization Request for Fiscal Year 2015 and the Future Years Defense Program"

on

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Chairman Levin, Ranking Member Inhofe, and Members of the Committee;

We have had the honor and privilege of serving as members of the National Committee on the Structure of the Air Force, which you established in the National Defense Authorization Act to address issues that arose during your consideration of our United States Air Force's proposed budget for Fiscal Year 2013.

On behalf of our staff we thank you for the opportunity to serve in this capacity, to testify here today, and to respond to your questions on our report and recommendations.

We have been gratified and reassured by the breadth of positive comment that our work has received since its delivery on January 30, from members of the Senate and the House, leadership of the Air Force, Governors, and other interested citizens, and, most importantly, individual Airmen across our Total Force. While it would be unrealistic to expect that any set of meaningful recommendations could achieve unanimous praise, we believe that this reception generally affirms that our deliberations and conclusions are in the mainstream of informed opinion, and we are pleased that Secretary James and General Welsh are giving serious thought to our work and leaning forward towards implementation in a number of ways that are consistent with our themes and recommendations.

It has been very helpful to gain insight from the Secretary and the Chief of Staff on their current thinking with regard to our proposals regarding integration of the total force. They seem ready to move towards a rebalanced force that meets challenging budget realities through a further focus on the cost-effective options inherent in the Air Force Reserve and Air National Guard.

Our findings and the 42 recommendations we presented are a holistic roadmap to improving our national security by making full use of the tremendous depth of talent available in all three Air Force components. In implementing the advice that this Commission has provided to Congress, the President, the Department of Defense, and the Air Force, it is paramount that our report not be viewed as a wish list of ideas. We intended them to form a coherent, cohesive, and achievable whole. As we will explain more fully in this testimony, the recommendations can be clustered into specific areas of force structure improvements that, if allowed to work in tandem, will lead to an end state of total force integration, better force management, and improved national security.

From the outset we recognized that the Commission's primary purpose was to ensure that the United States of America has the strongest and most effective Air Force possible in these most dangerous times. The statutory charter required us to consider these specific issues:

- the requirements of Combatant Commanders,
- the balance between Active and Reserve Components,

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- the capacity for homeland defense and disaster assistance,
- the need for the regular Air Force to provide a base of trained personnel for the Reserve Components,
- the force structure sufficient to meet operational tempo goals of 1:2 for the Active Component and 1:5 for the Reserve Components, and
- the means to balance affordability, efficiency, effectiveness, capability, and readiness.

Over the course of our research and analysis—especially as we expanded our scope beyond the Beltway by visiting installations and talking to personnel of all ranks and components—we realized there were two other overarching issues we needed to address: how to make the most of the skills, experience and, most importantly, the resolve of the men and women serving in every component of the Air Force; and how to maximize the taxpayers' investment in those exceptionally trained and dedicated Airmen.

Both require a longer perspective on force and resource management than merely slashing end strength, which we realize is a decision no service likes to make. The ultimate goal of our analysis and subsequent recommendations is to optimize the Total Air Force, preserve capacity, and maintain a strong and broadly capable Air Force. We found pathways to achieving these ends through total force integration, improved force management that allows the Air Force to maintain its current capacity at reduced cost, and better coordination among federal and state entities in the area of defense support for civil authorities.

While ours is a forward-looking report, we did look at the historical record, from the militia model used at the founding of the nation all the way through the debates over the 2013 budget that led to the legislation creating this Commission. We looked at the foundations of the Air Force, the Air National Guard, and the Air Force Reserve. We concluded that the nation and its Air Force are navigating a different strategic and economic environment than existed 40 or 20 years ago, or even within the past decade. We are far beyond the era of the strictly "strategic reserve"; we are in an era of a total operational Air Force. We are beyond a time of seemingly limitless resources; we are in a time when frugal fiscal management is not just a vital public trust, but a necessity. We are beyond the mindset of war as strictly an overseas enterprise; we must prepare for conflicts and dangers in space, cyberspace, and the homeland. We are beyond the notion of measuring a nation's defense posture strictly in the number and range of projectiles it can deliver; we are in an era when creative management of the nation's military talent pool is an effective weapon of war.

One important thing that emerged from our review of history is confirmation that the Air Force has been a forward-looking service. It already has instituted and developed a good model of integrated, multi-component forces: the "associate wings" in which Active and Air Reserve

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Components share missions and equipment. The Air Force also has led the way among the services in creating a viable total force in that all three components are held to the same standard of operational readiness. Additionally, the Air Expeditionary Force concept provides a model of rotational deployments that can and does rely on contributions from all components.

The Commission determined that not only should the Air Force continue on the path it has already forged toward total force integration, but that it could pick up the pace of integration. Doing so will enhance the cross-component operational capability it already is relying upon in both daily and surge operations.

The Air Force took a significant step even before our Commission formed by chartering a "Total Force Task Force." The Commission met on several occasions with the Task Force leaders and our staffs coordinated continuously. The Air Force has now established a permanent, follow-on organization known as the Total Force Continuum, and we have been encouraged by their apparent commitment to the implementation of many of our recommendations.\

Implementing Commission Recommendations

Although we did not specify in our report a specific sequence of implementation, it is clear that our recommendations lay out a series of changes in force structure and force management that will lead to a leaner and more streamlined organization comprised of integrated operational units and headquarters staffs. Since we delivered our report on January 30, with further analysis factoring in the work the Air Force is already doing in its Total Force Continuum initiative, the Commission staff has drafted an implementation strategy we believe could be a basis for a Total Force Continuum implementation plan.

Our 42 recommendations can be clustered into six areas. Action on the majority of our recommendations should begin now, capitalizing on work we have been told is already under way. We see much transformational work coming in the first two years, and we envision early successes that will set the stage for future progress. Across the six clusters of recommendations, progress can continue simultaneously, but within each there must be some sequencing.

Recommendation Clusters and Sequencing

Cost Metrics: Recommendations 1, 36, and 37

The Department of Defense should adopt one universal fully-burdened, life-cycle cost approach for calculating military personnel costs (1), establish a single metric for measuring the PERSTEMPO across the Total Force (36), and update the definition of non-deployment

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PERSTEMPO to account for all situations when an Air Reserve Component Airman may be unavailable for civilian responsibilities because of military obligations (37). Work on these three recommendations should begin immediately—the Cost Assessment and Program Evaluation office, or CAPE, has already begun work on the life-cycle cost calculations—and could be implemented within 12 to 18 months, ahead of Fiscal Year 17 budgeting.

Homeland Defense and Defense Support for Civil Authorities (DSCA): Recommendations 22, 31, and 32

The Secretary of Defense should revise its agreement with the Council of Governors to enable Air Force leadership to consult directly with the Council of Governors (22), a task which could be accomplished within this year. The President should direct the Departments of Defense and Homeland Security to develop with the Council of Governors national requirements for Homeland Security and Disaster Assistance (31). This recommendation should be initiated immediately with a validated requirement lists for homeland security and disaster assistance accomplished by the end of Fiscal Year 2016. With such a list, the Department of Defense and the Air Force should treat Homeland Defense and DSCA as real priorities and governors as essential stakeholders in the planning process (32).

Infrastructure: Recommendations 2 and 4

In the Fiscal Year 2015 National Defense Authorization Act and Defense Appropriations Act Congress should allow the Department of Defense increased flexibility in applying budget cuts across budget categories (2); such flexibility will be needed to accomplish many of our manpower management recommendations. We believe Congress should also allow the Air Force flexibility in closing or warm basing some installations (4), but this is an end-state recommendation over the course of the next five years as total force integration progresses. As our proposed i-Wing concept is adopted and reliance on the Air Reserve Components increases, identifying the installations—Active, Reserve, or Guard—best suited for basing certain operations with various multi-component mixes will be clearer. Reduction in command, control, and administrative overhead coupled with horizontal fielding of new equipment will allow a smaller infrastructure footprint and inherently lower cost. Maintaining excess infrastructure would not only fail to take advantage of those cost savings, it would offset the savings we foresee in improved personnel and talent management.

This time frame also provides the Air Force and Congress an opportunity to examine studies of past base closures and realignments, evaluating which closures achieved cost goals, which did not, and why.

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Human Resources and Continuum of Service: Recommendations 15, 16, 17, 18, 19, 35, 38, 39, 40, 41, 42

The Air Force should immediately revise the rules for current Active Duty Service Commitments to enable members to meet the commitment in some combination of Active, Reserve, and Guard service (40). This is the first step toward establishing a Continuum of Service pilot project to commence by October 1 of this year (39). Congress can enable true Continuum of Service by amending restrictive aspects of current statutes that mandate "up-or-out" career management policies to enable the Air Force to retain Airmen of all components actively working in career fields where substantial investment in training and career development has been made and where it serves the needs of the Air Force (42). The Air Force can then develop a new service construct allowing for multiple career track options—whereby some Airmen could pursue leadership positions at higher ranks while others choose to maintain operational specialties—each with different high-year tenure controls, where such additional tenure serves the needs of the Air Force (41).

To enable both Continuum of Service and true total force integration requires many changes in human resources policies and procedures. Human resources standards have been, and remain, stove piped among the three components. We recommend that the Air Education and Training Command Commander in coordination with the AF/A1 develop a Total Force competency standard for officers, non-commissioned officers, and enlisted Airmen across all specialties and career fields before the end of Fiscal Year 2016 (18). As part of that recommendation, AETC should conduct a comprehensive curriculum review to support professional and technical military education goals necessary for Airman of all components to acquire cross-component skills and knowledge. This review should be completed by Fiscal Year 2017 and a Total Force competency standard implemented by Fiscal Year 2018. With this standard in place, the Air Force can establish effective control measures to ensure that both Active and Air Reserve Component Airmen have adequate paths and opportunities for advancement and career development (15), provide for equality in awards, decorations, and promotions (16), allow equal access to non-resident education to personnel of all components (19), and achieve proportionate representation of the components among faculty and students in professional military education positions (17).

Other human resources issues cannot wait. The Air Force should accelerate the development of the long-awaited Integrated Pay and Personnel System (AF-IPPS.) In our report we urge that this should be concluded not later than 2016, far ahead of the 2018 timeline the Air Force is currently abiding by (35). The Air Force should also include PERSTEMPO accounting in AF-IPPS so that all types of duties are accurately and consistently calculated across the Components (38).

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Institutional Process: Recommendations 3, 6, 11, 12, 20, 21, 23, 24, 33, and 34

Changes in institutional processes can be subdivided into two areas: those concerning the corporate process and budgeting, and those governing personnel management. Action on all of these recommendations, which pave the way for smoother integration of components into an optimized Total Air Force, should begin immediately.

In the corporate process, the Secretary of the Air Force should discontinue use of Non-Disclosure Agreements (23) and should continue current practices that advance engagement with The Adjutants General in development of the Air Force Program (24).

As the Air Force acquires new equipment, force integration plans should adhere to the principle of proportional and concurrent fielding across the components (11). There is no more significant element to an integrated total force than a fully integrated fielding plan for all equipment, especially aircraft.

The Air Force should plan, program, and budget for increased reliance on the Reserve Components by about 15,000 man years annually (3) while increasing Air Reserve capacity to provide recurring operational support for the Air Force's steady state and rotational requirements (20). The Air Force should also include in all future budget submissions a specific funding line for "operational support by the Air Reserve Component" to clearly identify and program those funds intended to permit routine, periodic employment of the Air Reserve Components (21). These initiatives can begin with the current budget cycle, especially as it serves as a reversible alternative to the Air Force's current plans to cut end strength across the components.

Congress can significantly clear the way for both Continuum of Service and total force integration by addressing the matter of legal duty statuses. Currently, more than 30 duty statuses govern Reserve Component Airmen; Congress should reduce that number to no more than six (33). The Quadrennial Review of Military Compensation and the Reserve Forces Policy Board both have previously made this recommendation, as did the 2008 report of the Commission on the National Guard and Reserve. We do not believe any further study of this issue is necessary. Reducing the number of duty status categories will make it easier for Air Reserve Component Airmen to serve in an operational capacity, and will simplify the task of implementing an integrated pay and personnel system.

There are several other institutional barriers that need to be removed before total force integration can be realized, and we believe these policy changes should commence immediately.

• The Air Force should modify AFI 90-1001 "Responsibilities for Total Force Integration" to establish selection and assignment criteria, the minimum proportion of leadership positions that must be filled by the associating components, and the methods to ensure compliance (12).

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AF/A1 should then reassign Airmen in disestablished Air Force Reserve units to integrated Title 10 units.

- The Air Force should unify personnel management for all three components under a single integrated organization, A1, in the Headquarters Air Staff (34).
- The Air Force should integrate the existing staffs of the Headquarters Air Force, the Air Force Reserve, and the Air National Guard (6).

Integration and Rebalancing: Recommendations 5, 7, 8, 9, 10, 13, 14, 25, 26, 27, 28, 29, 30. Recommendation 6 above is also an immediate first step toward total force integration. Although final completion of this process will likely be four or five years down the road, the Commission believes that the bulk of its integration and rebalancing recommendations must proceed immediately.

The Air Force already is looking closely at all mission areas to determine the possibilities in rebalancing forces to draw on more Air Reserve Component personnel and assets. In our report we singled out a few of these that seemed to hold the most opportunity for significant rebalancing:

- Cyberspace (25)
- Space (26)
- Global Integrated Intelligence, Surveillance and Reconnaissance (27)
- Special Operations (28), and
- Intercontinental Ballistic Missiles (29). In the ICBM mission area, the Air Force should expand its current pilot program of providing Air Reserve Component security forces for ICBM wings by the end of Fiscal Year 2016, and then expand the concept into missile maintenance functions and the missile field helicopter mission between Fiscal Year 2017 and 2019.

Additionally, we recommend that the Air Force should replace some of the 1,800 Active Component instructor pilots with prior-service volunteers from the Air Reserve Components who would not then rotate back to operational squadrons (30).

All of these recommendations go toward our report's overall theme of rebalancing the force in order to rely more heavily on the Air Reserve Component for steady state and operational missions rather than cutting end strength. The combination of full-time and part-time positions should be determined for each unit depending on weapon system requirements, deployment, and rotation schedule based on optimum matching of the needs of the Air Force, families, and

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employers (8). Exactly how much rebalancing requires thorough, open-minded study. In our models, we looked at the rebalancing needed to save the same amount of money the Air Force sought to save in cutting 27,000 Airmen from the total force. We arrived at a transfer of 36,000 positions from the Active Component to the Air Reserve Components with the corresponding funding of 15,000 additional man years per year, as described above. The advantages of such a strategy is that the Air Force creates opportunities for the trained, dedicated Airmen in the total force instead of irreversibly losing them, and it maintains both steady state capacity and the ability to surge.

In the report we offered an example of such a force mix, setting the overall balance at 58 percent in the Active Component and 42 percent in the Air Reserve Component. Subsequent response to the report has latched on to this 58/42 figure as the standard we proposed. We want to stress here that this 58/42 mix is not one of the Commission's 42 recommendations; rather, it is an illustrative example, something the Air Force could do to meet budget goals. That said, we do believe that it is an achievable goal and would be a standard the Air Force could set out to attain as it continues its thorough mission-by-mission study of force mix. While we agree with the Air Force that it needs to do a bottom-up review, we also feel the Service needs to establish a concrete goal, one that would achieve the most savings in personnel costs while maintaining the greatest return on taxpayer investment in personnel training and experience. Without such a goal, the bottom-up study might never achieve its maximum potential.

The Air Force can reach maximum efficiency, maximum readiness, and maximum cost savings with a totally integrated structure while still maintaining the three components: the Active, Reserve, and Guard. We envision expanding the Air Force's current associate wing structure into what we call the i-Wing concept, a fully integrated operational wing with integrated groups, squadrons, and flights. To start, the Air Force should discontinue the practice of separate designated operational capability (DOC) documents for Active and Reserve units of the same type and place the i-Units under a single DOC statement (13). The Air Force should use an existing associate wing with an established record of success as an initial i-Wing pilot program. Meantime, the Air Force should ensure that integrated units are filled competitively by qualified Airmen irrespective of component; however, key deputy positions should always be filled by an opposite component member: if a wing commander is active, the vice wing commander should be from a Reserve Component, and vice versa; if a squadron commander is a Reservist or Guardsman, the deputy should be active, and vice versa (14). In anticipation of total integration of units by all three components, the Chief of Staff of the Air Force in coordination with the Director of the Air National Guard should change the Air Guard's wing-level organizations to groups where Airmen population and associated equipment are more realistically sized at the group level (10).

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In the second phase of the i-Wing construct, the Chief of Staff of the Air Force should direct the phased integration of Air Force Reserve associations of flights, squadrons, groups, and wings into corresponding Active Component organizations in order to eliminate the current redundant organizational overhead of classic associations (7). Ultimately, Air Force flights, squadrons, groups, and wings in active associations also should be integrated into corresponding Air National Guard organizations in order to eliminate the association's redundant organizational overhead (9). We recognize that Title 32/Title 10 considerations make this consolidation more complex, so we recommended that the unit level integration process begin with the "classic" associations.

Eventually, with full integration at every level of operations, from flights to squadrons to groups to wings to Numbered Air Forces to MAJCOMS, a command and control headquarters specifically for the Air Force Reserve becomes unnecessary. However, the role of the Chief of the Air Force Reserve becomes more vital than ever as an advisor to the Chief of the Air Force on matters pertaining to the Reserves and as an advocate for the full integration of Reserve Airmen in all aspects of their Air Force careers. Consequently, we recommend that, when integration of Air Force Reserve units is sufficiently advanced, Congress should amend 10 U.S.C. §10174 to retain the statutory rank, roles, responsibilities, and functions of the Director, Air National Guard, and Chief of the Air Force Reserve but disestablish the Air Force Reserve Command (5). Though the Air Force will be inactivating the Reserve Numbered Air Forces, wings and squadrons, the Headquarters Air Force, MAJCOMS, and their Numbered Air Forces and subordinate units will all see increased representation by Air Reserve Component Airmen.

One of the rewarding aspects of our service on this Commission was meeting the skilled, devoted men and women serving in the Active Air Force, the Air Force Reserve, and the Air National Guard. We were also impressed with the service's leadership at all levels, from senior NCOs to Secretary James and General Welsh. We have heard the argument that Reservists need their own command in order to grow their careers. We are convinced that Air Force leadership can accomplish the goal of total force integration as we have laid out in our report. We are also convinced that the culture of a truly integrated total force will allow the talented Airmen of every component equitable opportunities to advance their careers and attain assignments based on their skills and leadership qualities and not simply on the basis of serving in one component or another.

Changes, from corporate process to component culture, is never easy; however, the alternative, clinging to the status quo, could leave the Air Force slipping down the dangerous slope toward a hollow force. If the Congress, the Department of Defense, and the Air Force keep focused on the end vision—a true, multicomponent Total Force, managed with new human capital policies that reduce administrative overhead and capitalize upon the unique strengths of the three components—the Air Force will thrive and the nation will be safer and more secure. We feel that

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Congress should work closely with the Department of Defense and the Air Force to ensure that the Commission's recommendations come to fruition through periodic reports and feedback.

Beyond the Air Force

In the months since our report was delivered, we have fielded numerous questions about how our report might apply to the other services. Although some of the principles of force management and the concept of continuum of service we discuss in our report are not specific to any service—and the changes in law we recommend regarding duty status and other personnel policies would extend to the other services—issues pertaining to force structure are singular to each service. We must stress, we studied the Air Force and only the Air Force, which is unique among the services in the size of its deployable units and the cross-component readiness standards it maintains, among other matters.

That said, we would like to reiterate the point we made in our Additional View on the Impact of DoD Implementation of the Federal Advisory Committee Act (FACA) which is published as Appendix D in our report. Our charter legislation made no mention that the Commission should be governed by FACA, but our sponsor agency, the Department of Defense's Director of Administration and Management, advised us that because of that lack of mention, the Commission would be governed by FACA and a designated federal officer assigned to monitor compliance. As the Commission proceeded with its work, it became increasingly clear that the DoD interpretation of FACA's purpose would have a significant negative impact on the Commission's operation. We did everything in our power to comply with FACA, and we delivered our report on time and under budget, but we strongly advise that, in any future legislation chartering a Commission such as ours, Congress should clearly state its intent of permitting such Commissions to enter into deliberative dialogue in the same manner as the legislative and executive branches do when they discharge their public trust.

In summary, our Air Force and its components have done, and are doing, great things to move towards realization as a true Total Force. For reasons of effectiveness, culture, capability, and money, the conditions are right to advance to new levels —beyond association and interchangeability to true integration at every level and up and down the chain of command. Integration and rebalancing can reduce personnel costs while preserving end strength, capability, and readiness; consequential savings in personnel costs will permit recapitalization and modernization. Air Force missions at home and away, Airmen, and the nation will be better served by all of this.

Thank you for inviting us to appear before you this morning to discuss the important work you allowed us to do.