

Stenographic Transcript  
Before the

Subcommittee on Airland

COMMITTEE ON  
ARMED SERVICES

**UNITED STATES SENATE**

HEARING TO RECEIVE TESTIMONY ON  
AIR FORCE FORCE STRUCTURE AND MODERNIZATION IN REVIEW  
OF THE DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR  
2016 AND THE FUTURE YEARS DEFENSE PROGRAM

Thursday, March 19, 2015

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8                           U.S. Senate

9                           Subcommittee on Airland

10                          Committee on Armed Services

11                          Washington, D.C.

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13                          The subcommittee met, pursuant to notice, at 2:34 p.m.  
14   in Room SR-222, Russell Senate Office Building, Hon. Tom  
15   Cotton, chairman of the subcommittee, presiding.

16                          Committee Members Present: Senators Cotton  
17   [presiding], Rounds, Ernst, Sullivan, Lee, Manchin, and  
18   Donnelly.

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1           OPENING STATEMENT OF HON. TOM COTTON, U.S. SENATOR  
2       FROM ARKANSAS

3           Senator Cotton: The hearing will come to order.

4           I want to thank everyone for their attendance.

5           The Airland Subcommittee convenes today to hear  
6       testimony regarding Air Force structure and modernization in  
7       review of the defense authorization request for fiscal year  
8       2016 and the future years defense program. I welcome the  
9       witnesses from the Air Force and thank them for their  
10      service to our country.

11          As repeatedly stated by many expert and well-respected  
12       witnesses before the full committee in numerous recent  
13       hearings, our country is facing the most diverse, complex,  
14       and potentially dangerous threats to our national security  
15       in recent history. However, instead of strengthening our  
16       military and ensuring our men and women in uniform have the  
17       comprehensive training and world-class equipment they need,  
18       sustained defense budget cuts, in combination with mindless  
19       sequestration, are damaging our military's force structure,  
20       modernization, and readiness.

21          In their testimony before the full committee, Secretary  
22       James and General Welsh described how the Air Force is both  
23       the smallest and oldest it has ever been, even while the  
24       demand for airpower continues to increase. They also stated  
25       that the qualities of capability and capacity are

1       inextricably linked, that the Air Force cannot get any  
2       smaller and still provide the airpower capabilities the  
3       country needs and expects from the Air Force. I could not  
4       agree more.

5           This conundrum comes at the same time as our hard-  
6       earned gains in the Middle East are challenged by the  
7       extremists of the Islamic State, Vladimir Putin's aggressive  
8       activities to test the resolve of the NATO alliance in  
9       Eastern Europe, and China continues a massive arms buildup  
10      to threaten the stability of the Asian-Pacific region and  
11      beyond. As Senator McCain and Representative Thornberry  
12      stated in a recent op-ed, these increasingly aggressive  
13      activities by our adversaries is no coincidence as they  
14      observe our fiscal struggles, and therefore Congress must  
15      act to repeal the damaging effects of the Budget Control Act  
16      funding caps and sequestration.

17           Turning to Air Force operations, plans, and programs, I  
18      am deeply concerned with the Air Force's ability to execute  
19      the administration's stated defense strategy with its  
20      current inventory of combat squadrons. The Air Force today  
21      has 54 fighter squadrons. The fiscal year 2016 budget  
22      proposes to reduce that number even further to 49 by  
23      retiring the venerable A-10 fleet and before the F-35A  
24      reaches full operational capability. When compared to the  
25      Air Force of Desert Storm, today it has less than one-third

1 of the combat power mustered for that air campaign. By your  
2 Chief of Staff's own statement, less than half of today's  
3 already insufficient number of fighter squadrons are fully  
4 combat ready and will not return to full readiness until  
5 2023 due to the damaging effects of sequestration suffered  
6 in 2013 and will only be able to achieve those readiness  
7 levels barring another destructive round of sequestration in  
8 fiscal year 2016.

9       With regard to the proposed A-10 fleet retirement, I  
10 hope our Air Force witnesses can explain to the subcommittee  
11 their plan for how to mitigate the loss of such a critical  
12 capability and reducing capacity even further and whose  
13 brave men and women are prosecuting the air war against the  
14 Islamic State as we speak. The retirement of 164 A-10's in  
15 fiscal year 2016 takes another five combat-coded squadrons  
16 out of the rotation, putting even more stress on the  
17 remaining force by increasing the frequency of their  
18 deployments, decreasing their dwell time at home station,  
19 and in turn reducing overall full spectrum readiness of  
20 combat forces even further. It is a capacity and readiness  
21 death spiral the Air Force can help avoid by deferring the  
22 retirement of these critical warplanes until the F-35 is  
23 fully operational and crews sufficiently trained and  
24 certified to replace the critical missions these aircraft  
25 perform.

1       With regard to modernization, the Air Force is facing  
2 many large procurement programs over the next decade: the  
3 F-35A; the KC-46A; the long-range strike bomber; the T-X T-  
4 38 trainer replacement; the presidential aircraft  
5 replacement; the Joint Surveillance and Target Attack Radar,  
6 or JSTARS, replacement; next generation air dominance. The  
7 list is long and represents hundreds of billions of dollars  
8 required to recapitalize and modernize the force.

9           While Congress only looks at one budget year at a time  
10 and the Department of Defense and the services formulate a  
11 future years defense plan covering 5 years of projected  
12 funding, I will be interested to hear how the Air Force will  
13 take a longer view on how to fit all of these required  
14 capabilities into its future budgets and how the fiscal year  
15 2016 budget proposal supports your plan.

16           Additionally, the subcommittee is looking forward to  
17 hearing what actions the Air Force is taking to ensure this  
18 multitude of expensive programs keep cost growth under  
19 control, deliver on schedule, and make sure they deliver the  
20 capabilities our combatant commanders need to carry out  
21 their responsibilities.

22           Finally, the committee received the Air Force's  
23 responses to the National Commission on the Structure of the  
24 Air Force report with its 42 recommendations for optimizing  
25 the use of the Reserve component. I understand your initial

1 response is the first in a series of four annual Air Force  
2 reports on implementation of the commission's  
3 recommendations required by law. I understand that you  
4 agree with all but one of the recommendations and are in the  
5 process of either implementing or reviewing the other  
6 recommendations for potential implementation.

7 However, I am concerned that while several of the  
8 commission's recommendations addressed the optimization of  
9 the force mix balance between the active and Reserve  
10 components, in your responses you refer to results of high  
11 velocity analyses that you have not yet shared with the  
12 subcommittee. I urge you to bring the results of your  
13 analytical reviews to us soon, prior to us beginning  
14 deliberations on the fiscal year 2016 National Defense  
15 Authorization Act.

16 Again, I thank the witnesses for appearing before the  
17 subcommittee. I look forward to hearing your testimony.

18 Senator Manchin?

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1 STATEMENT OF HON. JOE MANCHIN, U.S. SENATOR FROM WEST  
2 VIRGINIA

3 Senator Manchin: Thank you, Mr. Chairman. And since  
4 this is your first hearing in the chair, I want to  
5 congratulate you on being named chairman of the  
6 subcommittee. And I know that you and I both are looking  
7 forward with our entire subcommittee this coming year.

8 I too want to extend a welcome and thank each of our  
9 witnesses for appearing here before the subcommittee today.  
10 I also want to thank each of you, representing the men and  
11 women of our armed forces, for the wonderful jobs they are  
12 performing in Afghanistan and elsewhere around the world.  
13 We keep all of those who are serving right now in our  
14 thoughts and prayers and also remember that both they and  
15 their families are serving and sacrificing for each one of  
16 us every day.

17 Our witnesses this afternoon face huge challenges as  
18 they strive balance the need to support ongoing operations  
19 and sustain readiness with the need to modernize and keep  
20 the technological edge so critical to military success.  
21 These challenges have been made particularly difficult by  
22 the spending caps imposed in the Budget Control Act, caps  
23 that were modestly relieved for fiscal year 2015 in the  
24 Bipartisan Budget Act that we enacted earlier this year.  
25 However, these caps are scheduled to resume full blast in

1       fiscal year 2016 and beyond. These caps already seriously  
2       challenge our ability to meet our national security needs  
3       and have already forced the military departments to make  
4       painful tradeoffs. Unless modified for fiscal year 2016 and  
5       later fiscal years, these caps will threaten our long-term  
6       national security interests.

7                  Every year we are challenged to make decisions  
8       balancing a number of competing demands for resources,  
9       including resources for current operations and investment in  
10      future modernization. In this case, we will be assessing  
11      plans and programs regarding the current status and future  
12      prospects for tactical aviation programs.

13                 We meet today to talk about a range of Air Force  
14      programs, including the F-35 Joint Strike Fighter program  
15      and aviation programs. Previous Air Force witnesses at our  
16      aviation hearings have also projected a potential shortfall  
17      of Air Force tactical fighters in excess of 800 aircraft  
18      around 2025. Several years ago, the Air Force, as part of  
19      the new defense strategy reduced combat air force fighter  
20      force structure under the so-called CAF Redux. Again this  
21      year, the Air Force is proposing further reductions,  
22      including eliminating the entire A-10 aircraft fleet to  
23      generate savings of more than \$3 billion.

24                 There are several other force structure adjustments  
25      that are of concern. The Air Force plans to eliminate seven

1      Compass Call EC-30H aircraft in fiscal year 2016. There are  
2      other reductions, including the AWACS and JSTARS, that are  
3      planned for later in the future years defense program.

4      While there is a plan to recapitalize the JSTARS with a new  
5      aircraft and radar program, I am concerned that the Air  
6      Force plans to retire aircraft like AWACS and Compass Call  
7      with no planned replacement in sight.

8            There is also the continuing disagreement between  
9      Congress and the Air Force over modernization of the  
10     existing C-130H aircraft, including the C-130 avionics  
11     modernization program, or C-130 AMP. I believe that there  
12     are two issues within this discussion. The first is what  
13     should be done on the overall avionics modernization for the  
14     C-130H aircraft. The second issue relates to whether C-130H  
15     aircraft will be modified in time to comply with the Federal  
16     Aviation Administration rules governing access to controlled  
17     airspace that take effect in 2020. The Air Force has  
18     established a program called the Viability and Airspace  
19     Access Program to deal with meeting the FAA deadline. This  
20     program would install automatic dependent surveillance-  
21     broadcast out, or ADS-B Out, avionics on C-130H aircraft.  
22     Whatever we do, I believe that we should ensure the Air  
23     Force can continue to operate the fleet of C-130H aircraft  
24     in the FAA-controlled airspace after 2020.

25            There are a number of other issues that we may discuss,

1       but in the interest of time, I am going to stop here.

2       Again, I want to thank our witnesses for being here. I look  
3       forward to hearing your testimony.

4              Thank you again, Mr. Chairman.

5              Senator Cotton: Dr. LaPlante?

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1 STATEMENT OF DR. WILLIAM A. LaPLANTE, ASSISTANT

2 SECRETARY OF THE AIR FORCE FOR ACQUISITION

3 Dr. LaPlante: Thank you. Good afternoon, Mr.  
4 Chairman, Ranking Member Manchin. Thank you, distinguished  
5 members of this panel. Thank you for holding the hearing.

6 It is always an honor to be here and I thank you for  
7 the opportunity to testify on the subject of force structure  
8 and modernization. These are two things, obviously, that  
9 are critical to the force of our Air Force.

10 It is also an honor to be here with two incredible  
11 general officers, General Mike Mobile Holmes next to me on  
12 my left, your right, who is our Air Force planning and  
13 strategy. On my right is General Tod Wolters who is our A-3  
14 operations. And so it is just a privilege to serve with  
15 great airmen like these two leaders.

16 With your permission, I would like to submit my written  
17 statement for the record --

18 Senator Cotton: Without objection.

19 Dr. LaPlante: Thank you. And then just make some  
20 opening remarks.

21 As you said, Mr. Chairman, in your opening statement  
22 better than I can say, the global security environment is  
23 incredibly complex, dynamic, changing. We have got the  
24 fight today, the situation today which you described, but  
25 then we also have the issue that we have to deal with, which

1      is not lose sight of modernization. And for the pure  
2      adversary -- and it is not even so much the pure adversary  
3      of the future, it is really even the pure adversary of  
4      today. And so that is kind of what our world is.

5            I am privileged to say that we are the greatest air  
6      force in the world and remain so. But, to be honest -- and  
7      I think this is true not just for the Air Force but this is  
8      true at the technology and systems level in the Department  
9      -- many of us are growing concern that we are losing our  
10     margin. The enemies and potential adversaries of the United  
11    States have been watching us fight certainly for 15 years,  
12    but really, if you think about it, since the first Gulf War  
13    they have been watching what we have done, watching very  
14    carefully. They have watched and they understand where our  
15    seams are. They understand how to apply asymmetries against  
16    us, other large quantity against our quality, whether  
17    exploiting cyber, whether it is looking at EW as its own  
18    domain, and also, frankly, the effects of space. This has  
19    all been happening right in front of our eyes over the last  
20    few years, and we are all watching this. We are all  
21    concerned.

22           It has often been said that one of the best things and  
23    most important ways our American military power is used is  
24    in the ability to shape and deter, what people call phase  
25    zero, phase one ops typically. The concern that some of us

1 have is that is going both ways. In other words, there is  
2 shaping and deterring going on and it is not all one way.  
3 So this is a situation we are all very concerned about.

4 But let me be clear. Again, we are the world's  
5 greatest air force. So what are we doing about some of  
6 these issues?

7 First of all, we must protect our S&T. We must protect  
8 our S&T. That is our future. And we must learn and be able  
9 to innovate and we must rapidly bring in ideas and concepts  
10 and new players and work on this issue that is developing.  
11 And you have heard the Deputy Secretary talk about a third  
12 offset strategy. That is the kind of thing we are all  
13 beginning to talk about and focus on, all in this  
14 environment, actually very difficult fiscal environment.

15 So last year, last summer, the Secretary and the Chief  
16 put out a strategy about the Air Force called A Call for the  
17 Future. The strategy was centered around a concept called  
18 Strategic Agility. And basically in my words, strategic  
19 agility is how do you build adaptability not just into your  
20 people, which you need, and your leaders but into your  
21 systems that you apply, how you fight, how you learn. It  
22 basically is about speed. We have to be faster than the  
23 adversary and we have to be faster than the technology that  
24 is breaking up. That is the fundamental metric of agility.

25 So we are building this into how we are thinking, but

1 we also have to innovate. We also have to assume that we  
2 are going to be operating and fighting our wars and fighting  
3 in ways we cannot predict, ways where the operator is going  
4 to be as inventive as always and learning new ways to  
5 operate the system. And we have to assume we are going to  
6 discover things. We cannot build things assuming exquisite  
7 knowledge of the threat that then we have to change. We  
8 have to figure out how to change it.

9           So what does that mean in our world? Well, in our  
10 world what it means is we, first of all, have to protect our  
11 high priority programs to make sure they are built that way.  
12 That is the whole strategy behind the LRSB, and I can talk  
13 about that later. But also for our new capitalizations.  
14 Mr. Chairman, you mentioned JSTARS recapitalization. We are  
15 building that right from the start assuming we are going to  
16 discover new technology. It is going to be an open  
17 architecture and new processing can go into it. We are not  
18 just assuming it is going to be a prime that is going to  
19 just have subs and it is going to be a closed system that is  
20 going to be the same for 30 years. We are going to build it  
21 in at the very beginning. We are also going to build in  
22 sustainment considerations. 70 percent of costs in the  
23 lifecycle of the program is not in the development, not in  
24 the procurement, but in the sustainment. So you have to  
25 build that in at the very beginning. So we are putting that

1 into our programs. We are also doing with the new trainer.

2 I also want to talk a little bit about the Air Force's  
3 2016 budget. The Air Force's number one mission priority --  
4 indeed, the Department's number one mission priority -- is  
5 our nuclear deterrent. We use our nuclear deterrent every  
6 day and have had so for 50 years. It is the number one  
7 priority. We have to strengthen that. We have to invest in  
8 it. We also have to keep these high priority programs on  
9 track. We talked about the LRSB, but there is also, of  
10 course, F-35 and the tanker, and we have to protect them  
11 even in a sequester environment. And I can answer questions  
12 about the protection of those programs and which ones we do  
13 not think we can protect in the sequester.

14 We also have to put investment into space. We have to  
15 put investment into space. So this Call to the Future  
16 eloquently speaks for our need to stand -- for our service  
17 to innovate and get at what stands between us and this  
18 future and to rapidly adapt. The gentlemen here at this  
19 table, along with our counterparts at DARPA and OSD, are  
20 embarking on that kind of an effort related to the third  
21 offset called "developmental planning." We are getting back  
22 to our roots in the Air Force. We are going to work -- the  
23 first subject we picked was air dominance, air superiority,  
24 say, in the 2030 timeframe. What are the technologies, what  
25 are the CONOPS, TTP's, how do we experiment, and how do we

1 make sure that we are the superior Air Force in 2030? I  
2 remind everybody this is not about the next platform only.  
3 Air dominance has everything to do with -- yes, it has  
4 stealth but it has weapons. It has electromagnetic warfare.  
5 It involves space, cyber all together. And so we have to  
6 think about this and the whole kill chain. So we are all  
7 getting on with that and we are also going to do the same  
8 thing on the future of the nuclear ground-based deterrent.

9           So let me just finally say a few comments about the  
10 taxpayer and then turn it back over to the chairman and my  
11 other colleagues here.

12           Obviously, we have to be a good steward of the taxpayer  
13 resources. Every dollar must count. We are implementing  
14 better buying power. We are having actually huge successes  
15 in better buying power. We are on 3.0 right now, huge  
16 savings and something called "should cost." But we have to  
17 do more. We also have to do more in collaborations with  
18 industry. We have got many projects under a "bending the  
19 cost curve" initiative over the last year with industry that  
20 are actually quite exciting. So we have to do that as well.

21           So I look forward to answering your questions, Mr.  
22 Chairman, and with your committee's help, I think working  
23 together we can do this. We can do this. And we will  
24 remain the best, greatest Air Force in the future. So,  
25 again, thank you very much.

1           [The prepared joint statement of Dr. LaPlante, General  
2 Holmes, and General Wolters follows:]  
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1 Senator Cotton: General Holmes?  
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1 STATEMENT OF LIEUTENANT GENERAL JAMES M. HOLMES, USAF,  
2 DEPUTY CHIEF OF STAFF OF THE AIR FORCE FOR STRATEGIC PLANS  
3 AND REQUIREMENTS

4 General Holmes: Thank you, Chairman Cotton, Ranking  
5 Member Manchin, ladies and gentlemen of the committee.  
6 Thank you for your continued support to the United States  
7 Air Force, our airmen, and their families. It is an honor  
8 to be here in front of you, and it is an honor to be here.

9 I want to speak for just a second about Dr. Bill  
10 LaPlante and Lieutenant General Ellen Pawlikowski, his  
11 MilDep. In my time in the Air Force, the Air Force is very  
12 fortunate now to have the best team I think we have had in  
13 that acquisition office. They have made great strides in  
14 changing the way we acquire, develop, and build new  
15 technologies, and I think it is going to pay off for us in  
16 the future.

17 I am also proud to be here with Lieutenant General  
18 Wolters, my old friend and one of my heroes, and it is a  
19 pleasure to work with him in the building every day.

20 Our Air Force remains the most globally engaged air  
21 force on the planet, and we continue to do our best to  
22 deliver global vigilance, global reach, and global power for  
23 America every day.

24 However, after more than 24 years of sustained combat  
25 operations and years of constrained budgets, it has become

1 more and more difficult to achieve our mission. And as the  
2 Air Force's budget planner, we talk about sequestration and  
3 we talk about the effects of the 1-year budget that we are  
4 working, but part of the factors that influence the position  
5 we are in is because of the 3 years of reduced budgets from  
6 the baseline we had planned in 2012 to the baseline of where  
7 we are now, we have lost \$25 billion to \$30 billion worth of  
8 buying power. It is the difference when you add up those  
9 years. And that \$25 billion to \$30 billion leaves a hole in  
10 our ability to modernize the forces we have and our ability  
11 to maintain our readiness and our ability to plan for the  
12 future. So as we look at another year of constrained  
13 budget, it is not just this year's constraint. It is adding  
14 up the cumulative effect of those 3 years in the past.

15 The fiscal year 2016 President's budget provides  
16 additional funding above budget caps. It allows us to  
17 reinforce our investments in nuclear deterrence and space  
18 control operations, to emphasize our global long-range and  
19 non-permissive capabilities, to maximize the contributions  
20 of the total force -- and, Mr. Chairman, I look forward to  
21 discussing the report and our response to it with you -- and  
22 to preserve the Air Force's top three procurement programs,  
23 the F-35, the KC-46, and the long-range strike bomber.

24 It also gives us the ability to halt reductions in  
25 total force end strength and relieve the pressure on our

1 most important weapon, our airmen, and to continue efforts  
2 to regain full spectrum readiness, and to lay the groundwork  
3 for future innovation efforts with seed investments, as Dr.  
4 LaPlante talked about.

5 After subtracting pass-through, the Air Force's share  
6 of the 2016 defense budget is roughly 22 percent. Within  
7 this share of defense resources, the Air Force submission  
8 attempts to balance risk driven by shortfalls in three  
9 areas, capacity, readiness, and modernization, again to  
10 continue to provide global vigilance, reach, and power in  
11 support of the strategy today and in the future.

12 The shortfalls in capacity mean we must accept some  
13 risk in our ability to everything that we are expected to do  
14 if we had to do it all at the same time. And the first of  
15 many difficult capacity decisions we faced was the decision  
16 to divest the A-10. There is no question that the A-10 has  
17 been a steady and stellar performer in recent conflicts.  
18 The A-10 provides our joint force commanders with responsive  
19 and lethal fire power for close air support, particularly in  
20 the permissive environments we operate in today.

21 Nevertheless, our current force structure was simply  
22 unaffordable in today's fiscal environment. Within the  
23 limits that are placed on us on where we can take force  
24 structure risk, some provided by the Congress to safeguard  
25 capabilities, we have a limit in STRAT airlift and a limit

1       in C-130's and a limit in some other capacities, and the  
2       guidance provided to us by the Department of Defense -- our  
3       fighter force structure was the area that we focused on to  
4       make reductions. And consistent with that Department of  
5       Defense fiscal guidance to accept risk in current force  
6       structure and to favor multi-role aircraft to satisfy  
7       Defense Strategic Guidance, the fiscal year 2016 PB again  
8       reflects the hard choice to divest the A-10. Divesting the  
9       entire A-10 fleet would free up \$4.7 billion across the  
10      future years defense program, providing funding for other  
11      priority capacity, capability, and readiness shortfalls.

12           Next, budget realities have forced the Air Force to  
13      make the decision to reduce the EC-130 Compass Call fleet by  
14      nearly half after fiscal year 2015, providing an additional  
15      \$470 million in savings across the FYDP that we have applied  
16      toward enterprise capability upgrades. While the Air Force  
17      will maintain essential capabilities to support current  
18      combat operations, this decision is not without risk, and  
19      once the fleet size drops to eight aircraft in fiscal year  
20      2016, we will only be able to support the current  
21      operational obligations for the C-130 Compass Calls engaged  
22      every day.

23           We face another significant capability challenge in  
24      preferred munitions where 3 years of constrained budgets  
25      have left the Air Force thousands of weapons short in both

1 air-to-surface and air-to-air weapon inventories. The joint  
2 air-to-surface standoff missile, or JASSM, and small  
3 diameter bomb, or SDB, employed by low observable platforms  
4 provide unsurpassed force multiplier capability in a highly  
5 contested environment. In the event of a conflict,  
6 insufficient inventory of these weapons could limit our  
7 ability to target critical adversary capabilities. The AIM-  
8 120 advanced medium-range air-to-air missiles and AIM-9X  
9 infrared air-to-air missiles enable the joint force to  
10 achieve air superiority by providing the first look, first  
11 kill advantage against improving threats. And the current  
12 air-to-air missile inventory shortage may increase the  
13 number of days it would take to gain and maintain air  
14 superiority in any future conflict. To begin to address  
15 these munitions capacity shortfalls, the fiscal year 2016 PB  
16 provides \$1.8 billion in fiscal year 2016 and \$7.3 billion  
17 over the FYDP to increase procurement rates, so above what  
18 we planned to buy in 2015.

19 The shortfalls in readiness that General Wolters will  
20 highlight in his statement continue to exacerbate the effect  
21 of capacity shortfalls. Your forces are also less ready.  
22 And in addition to shortfalls in capacity in readiness, the  
23 Air Force faces shortfalls in critical capabilities, as Dr.  
24 LaPlante described. And this means that potential  
25 adversaries are closing the capability gaps that separate

1       the U.S. military from potential foes, and this narrow gap  
2       adds future risk to both mission and to the forces that  
3       would fight.

4           The Air Force's fighter fleet is approaching an average  
5       age of 30 years, the oldest in the history of the Air Force.  
6       The fourth generation F-15's and F-16's that comprise the  
7       majority of our fighter fleet require upgrades to both  
8       extend their lifespan and provide the improved combat  
9       capability required to prevail in today's increasingly  
10      contested environments. And the advanced capabilities of  
11      fifth generation fighters, the F-22 and the F-35, are  
12      critical to ensuring our ability to fight and win in  
13      contested environments.

14           The savings generated by divesting the A-10 help us  
15      invest \$1 billion and \$3.9 billion across the FYDP for F-16  
16      and F-15 modernization and service life extensions and \$600  
17      million across the FYDP to ensure we maintain the  
18      superiority of the F-22 against rapidly improving threats.

19           The multi-role F-35 is the centerpiece of our future  
20      fighter precision attack capability. It is designed to  
21      penetrate air defenses and deliver precision-guided  
22      munitions in a contested high-end threat environment. And  
23      the fiscal year 2016 budget includes \$4.9 billion for  
24      procurement and development of 44 F-35A's.

25           24 years of continual operations, coupled with

1 constrained and unstable budgets, have taken their toll on  
2 our Air Force and our airmen. In anticipation of even  
3 greater challenges over the next 2 decades, we have  
4 developed a strategy-driven, resource-informed plan to guide  
5 the way our service organizes, trains, and equips to prepare  
6 for future operations. And, Mr. Chairman, we built a  
7 20-year plan at a resource-constrained level based on zero  
8 real growth from the 2013 budget, kind of a worst case  
9 scenario, to make sure that we could fit the programs that  
10 you talked about into that long-range plan. And at your  
11 convenience, I would be happy to come down sometime and walk  
12 you through that and have a discussion with you about your  
13 views on that.

14 In order to achieve the strategic agility necessary to  
15 meet the ever-evolving changes of the century, we must be  
16 able to adapt to changing conditions faster than our  
17 potential adversaries. And when we think about a third  
18 offset strategy, I believe that is what it is. It is  
19 building a military and a force and a Department of Defense  
20 that regains its ability to do things faster, to rapidly  
21 change our abilities, to rapidly change our capabilities.  
22 And that will mean we will have to think faster. We will  
23 have to acquire weapons faster, and we will have to be able  
24 to build decision points into our programs so we can decide  
25 to change them or, if they do not work out, to abandon them.

1       Our fiscal year 2016 budget takes steps to balance the  
2 many challenges we face in capacity, capability, and  
3 readiness, but any return to sequestration level funding  
4 will directly impact all three areas, leaving a smaller,  
5 less ready, and with less of an advantage over potential  
6 adversaries.

7       Although our Nation has reduced its presence in  
8 Afghanistan, we continue to face evolving threats to our  
9 security in a world that seems to become less and less  
10 stable. Given our current challenges, we must still remain  
11 ready to respond quickly and effectively across the spectrum  
12 of conflict. Our airmen are proud to serve alongside  
13 soldiers, sailors, and marines and will continue to respond  
14 quickly and effectively within the constraints imposed at  
15 any budget level.

16       Thank you, Mr. Chairman, Ranking Member Manchin, and  
17 ladies and gentlemen of the committee, for your continued  
18 support of the Air Force and the chance to discuss with you  
19 as we work together to face these challenges. And I look  
20 forward to your questions.

21       Senator Cotton: General Wolters?

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1 STATEMENT OF LIEUTENANT GENERAL TOD D. WOLTERS, USAF,

2 DEPUTY CHIEF OF STAFF OF THE AIR FORCE FOR OPERATIONS

3 General Wolters: Chairman Cotton, Ranking Member

4 Manchin, distinguished members of this subcommittee, it is  
5 truly an honor to have the opportunity to testify before you  
6 today and also an honor to appear alongside my colleagues,  
7 our Chief of Acquisition, Dr. LaPlante, and my dear friend  
8 over the last 3 decades, Lieutenant General Holmes.

9 The United States Air Force is unquestionably the best  
10 and the most globally engaged air force on the planet, and  
11 the demand for what we do is at an all-time high. But 24  
12 years of continual combat operations and recent budget  
13 constraints have taken their toll on our readiness. We have  
14 the smallest and oldest Air Force since our inception in  
15 1947. Less than half of our combat-coded squadrons are  
16 sufficiently ready for the high-end fight. There is no  
17 excess. There is no bench. Everything is committed.

18 The Air Force cannot respond in one corner of the earth  
19 without diluting its presence elsewhere. America needs a  
20 force ready for a full spectrum of operations.

21 Approximately 205,000 total force airmen are committed in  
22 place, supporting daily operations to defend the homeland,  
23 control our nuclear forces, operate remotely piloted  
24 aircraft, provide rapid global mobility, and many other  
25 requirements. Approximately 23,000 airmen are deployed

1 across the globe, including over 16,000 in CENTCOM.

2 On the eve of 2014, we expected to draw down combat  
3 forces in Afghanistan and reset the force. Instead, we  
4 faced a resurgent Russia in the Ukraine, an Ebola epidemic  
5 in Africa, and aggressive expansion of the Islamic State in  
6 Iraq and Syria, demonstrating just how unpredictable world  
7 conditions can be.

8 In spite of drawing down forces, the Air Force is still  
9 engaged in Afghanistan, conducting counterterrorism  
10 operations and providing training and operational support to  
11 strengthen the Afghan national defense and security forces  
12 as part of Operation Freedom Sentinel and NATO's Resolute  
13 Support mission. These efforts will contribute to a more  
14 stable and secure Afghanistan and deny terrorists safe  
15 havens in the region. Air Force advisors are working to  
16 develop the Afghan air force across their entire air  
17 enterprise, from fixed wing and rotor wing operations and  
18 maintenance, engineering, and logistics to force and budget  
19 development. In the last year, the Afghan air force has  
20 taken over much of the mission, providing casualty  
21 evacuation, aerial attack, and aircraft maintenance.

22 Since August of 2014, the Air Force has been conducting  
23 operations against the Islamic State in Iraq and Syria as  
24 part of Operation Inherent Resolve. U.S. airpower has  
25 already achieved positive effects. We have forced them to

1 change their tactics and the way they communicate. They  
2 have dispersed. They are hiding among the population and  
3 they are not as free to operate as they were before. Air  
4 strikes and resupply efforts have helped Iraqi and Kurdish  
5 forces to retake and hold key terrain. In Syria air strikes  
6 have attacked their command and control, logistics, and  
7 revenue sources, making it harder for them to sustain  
8 themselves and weakening their resolve.

9       In addition, the Air Force has alleviated civilian  
10 suffering in Iraq through delivery of 131,000 meals, 58,00  
11 gallons of water, and other vital supplies via airdrops and  
12 by providing advice and training that enabled the Iraqi air  
13 force to continue independent humanitarian relief and  
14 operational resupply efforts.

15       The Nation deserves a ready Air Force that can not only  
16 outmatch its most dangerous enemies but also maintain an  
17 uncontested sky over our ground forces. While the fiscal  
18 year 2016 President's budget takes a small step towards  
19 recovery, it only preserves the minimum requirement to meet  
20 current strategy and reach our goal of an 80 percent ready  
21 Air Force by 2023. American airpower requires sustained  
22 commitment, stability, and the resolve to invest where it  
23 can best deliver the most combat power. We need your help  
24 to be ready for today's fight and still win in 2025.

25       Again, Chairman Cotton, congratulations, and I thank

1 each and every one of you for your persistent support of our  
2 United States Air Force.

3 Senator Cotton: Thank you all for your testimony, and  
4 thank you again for your service, as well as the thousands  
5 of airmen you represent all around the world. I had a  
6 chance to serve with many myself on provincial  
7 reconstruction team Laghman in 2008 and 2009 where I had the  
8 privilege of meeting General Holmes in his earlier  
9 incarnation as the wing commander out of Bagram.

10 As an infantry man, as you might imagine, I would like  
11 to talk about the A-10. I fortunately never had to call in  
12 A-10 fire in Iraq or Afghanistan, but it was something on  
13 which we were prepared from the earliest days at Fort  
14 Benning.

15 General Wolters, General Holmes, the fiscal year 2015  
16 NDAA allowed the Air Force to place up to 36 A-10 aircraft  
17 into backup inventory status to free up maintenance  
18 personnel to start the transition to the F-35. I understand  
19 that you opted to do this with 18 aircraft from three  
20 different bases, also that the aircraft in backup status  
21 must still fly to avoid the so-called 21-day hangar queen  
22 status which requires periodic maintenance and other repairs  
23 as required. Furthermore, the Air Force currently has an  
24 A-10 squadron from the Indiana Air National Guard deployed  
25 to the Middle East in support of the fight against the

1      Islamic State, and an A-10 squadron in Arizona is currently  
2      deployed to Europe to reassure our allies and partners in  
3      light of recent Russian aggression.

4            If the A-10 fleet were not available, what aircraft  
5      would the Air Force then have to deploy?

6            General Wolters: Chairman, thanks for the opportunity  
7      to comment on the A-10. And as you well know, sir, it wound  
8      up being the less ugly of ugly choices in order to divest as  
9      a result of the fiscal year challenges.

10          At this time, our arsenal consists of F-15E's and F-  
11        16's and B-1's that possess the capability to supplement and  
12        complement the A-10 aircraft in its close air support role.

13          Senator Cotton: General Holmes, do you have anything  
14        to add?

15          General Holmes: General Wolters flew the A-10, Mr.  
16        Chairman. I commanded the A-10 twice in two different wing  
17        commands. It is not a question of is it a great airplane  
18        with great capability. It is. It is a question of how can  
19        we fit all the capabilities that are requested into the  
20        budget that we have.

21          When we looked at the alternatives where we could  
22        reduce force structure, we dialogued with the COCOM's and we  
23        asked what is most valuable to you of the things the Air  
24        Force presents. And 100 percent of the COCOM's valued our  
25        ISR resources and asked us to expand those resources and to

1 buy back any places that we had taken cuts there, and they  
2 would rather have that than the A-10.

3 We like the airplane. We would like to keep it, but we  
4 could not find a way to work it into our budget level.

5 Senator Cotton: General Wolters, from a pure combat  
6 capability perspective, do you view the fighters and the B-1  
7 as an adequate substitute for the A-10 to ground forces in  
8 need of close air support?

9 General Wolters: Chairman, I do. As you well know,  
10 there are certain situations with a show of force and show  
11 of presence opportunities over soldiers where the A-10 is  
12 one of those insertion resources in combat that produces  
13 positive effects on the battle space. That is one area  
14 where the A-10 probably outmatches some of our others. But  
15 the F-15E, the F-16 and the B-1 can adequately perform the  
16 close air support mission and satisfy the requirements of  
17 our combatant commanders.

18 Senator Cotton: The long-term plan is to replace all  
19 those with the F-35's capabilities. Right?

20 General Wolters: Chairman, that is correct. And as  
21 you well know, the F-35 will possess a level of close air  
22 support capability and initial operation capability, and by  
23 its fully operational capability in 2021, we suspect it will  
24 contain all of the capabilities that currently reside in the  
25 CAS force requirements today for the combatant commander.

1            Senator Cotton: So I have to say then that if today is  
2 2015, 2021 -- you said that those other fighters and the  
3 bomber are adequate to replace, but adequate in my opinion  
4 is not necessarily enough when it comes to supporting the  
5 troops on the ground that are in need of close air support.

6            General Holmes: Mr. Chairman, as a wing commander at  
7 Bagram during our year there, I flew the F-15E. I flew the  
8 F-15E completely in a CAS role. I flew 83 combat missions.  
9 I employed 20 weapons. We took modifications to that  
10 airplane starting about 7 or 8 years ago. We added an  
11 advance targeting pod so that you can see things from  
12 altitude and distance that you could see with your eyes if  
13 you were closer. We added the radios to the airplane that  
14 the A-10 has so that I could talk directly to a ground  
15 commander. I could talk to the battalion commander and his  
16 TACP on one radio to the JTAC on the ground on another radio  
17 and to the command and control authority on a third radio.  
18 And I had the range of weapons that allowed me to do almost  
19 everything.

20           There were certainly situations where if I was without  
21 a JTAC on the ground and I was caught with troops up very  
22 close to me, that if I was the guy on the ground, I would  
23 prefer to have the A-10. But there were certainly  
24 situations where if I got into trouble and the closest  
25 airplane to help me was 300 miles away, then I would like to

1 have that F-15E come in to get to me.

2 We will provide a CAS capability and we will continue  
3 to do so in the future. We are accepting risk in capacity  
4 between now and when we start to build up in F-35 squadrons  
5 and we are doing that to pay bills.

6 Senator Cotton: While we are talking about solutions  
7 that are good enough or better than nothing, let us shift  
8 for a moment to the macro budget picture. You can read the  
9 headlines just like we can. Both Budget Committees of the  
10 Senate and the House have proposed legislation that would  
11 keep the base budget at \$498 billion, which is the  
12 sequestration number, but include so-called OCO funding,  
13 overseas contingency operations, of as much as \$90 billion.  
14 Without commenting on any particular budget, could you give  
15 us quickly your thoughts on that approach?

16 General Holmes: So, Mr. Chairman, as again the guy  
17 with the team that plans what goes into the Air Force  
18 program, our preference would be to have a reliable,  
19 predictable budget stream out there so that we can plan in  
20 multi-years as you outlined in your introductory comments  
21 there. But our second best choice would we would be able to  
22 get the resources we need to continue to do the things that  
23 people expect us to do from year to year. So we need more  
24 money. We would prefer to have it in the base budget so  
25 that we can count on it and predict it across the future

1 years defense program, but we want to work with the Congress  
2 to see what we can do to get the money we need to do what we  
3 are asked to do.

4 Dr. LaPlante: Just to add on from an acquisition  
5 perspective, any additional money is good and is useful for  
6 the system. Where it affects us, particularly with, let us  
7 say, if you have the base budget being fixed and then OCO,  
8 it still is harmful for us because we need some level of  
9 predictability on a long-term program -- I mean by long-term  
10 just in the next 3 years -- or it would be irresponsible for  
11 us to start the program. So we cannot in good conscience --  
12 we are not in good conscience going to start a JSTARS  
13 recapitalization, for example, even assuming OCO somehow  
14 would cover it. That would be actually irresponsible.

15 And so what I see happening by this uncertainty in  
16 acquisition is a lot of times you are forced to do things  
17 that are short-term, in other words, not do a bigger buy,  
18 not do a multiyear. If we are going to retire this thing,  
19 we do not know if we are going to retire it. Okay. We will  
20 fund it enough this year and then do it again next year.  
21 Actually it would be much better for us to know we are  
22 definitely retiring it, we are definitely not because then  
23 you would actually put the right plan in place.

24 We are now having to tell our folks, even if the thing  
25 that you are working on is supposed to be retired, put in

1 place a budget and a plan as if it was not because we need  
2 to know how we would long term sustain it. So it is our way  
3 of having to deal with the uncertainty. It is actually  
4 costing us more money.

5 We had a program last year called Space Fence, which  
6 was a new program, a very important program for space  
7 situational awareness. We had gone through the source  
8 selection, ready to award it. This was in September of  
9 2013. And it was right -- if you guys remember the 2013,  
10 September-October was a very uncertain time. Rightfully so,  
11 we do not award the contract because we had no idea what the  
12 budget was going to be. And we do not want to start a  
13 program that we are going to have to turn around a year  
14 later and cancel and waste that money. Right? So we  
15 rightfully -- and the leadership of the Department -- held  
16 it off. We had to stop the competition, stop the award,  
17 wait until after the dust settled. Ryan-Murray came in.  
18 And so in February we had to start over again with the RFP.  
19 We did the source selection in June, and we awarded the  
20 contract and the program is underway.

21 But here is the thing. We calculated it. It cost us  
22 \$70 million more because of all the gyrations. And the  
23 warfighter will get the Space Fence a year later than they  
24 were originally going to get it because when you have to  
25 stop something, then restart it and reask for proposals, the

1 industry teams are spending.

2 So I can go through lots of stories where -- we do not  
3 do performance-based logistics contracts. Usually they are  
4 about 10 years to get the cost savings. It is harder to do  
5 them on a 1 year-to-1 year basis. So we really crave  
6 stability in our world.

7 Senator Cotton: So my time has elapsed. But if I  
8 could make an attempt to synthesize what I have heard, this  
9 approach, keeping sequestration in effect for fiscal year  
10 2016, plusing up OCO spending, not good, better than  
11 nothing. It depends on the details and in any regard,  
12 modernization and recapitalization will continue to suffer.

13 General Holmes: Yes, sir.

14 Senator Cotton: Thank you.

15 Senator Manchin?

16 Senator Manchin: Thank you, Mr. Chairman. And thank  
17 you all again.

18 It gets quite confusing from the standpoint -- and I  
19 said this before. We have to go home and explain to our  
20 constituents how we spend their tax dollars, how we commit  
21 their tax dollars short-range, long-range, and also how we  
22 defend them. And when you look at the cost factor, what we  
23 are dealing with, basically I think that when you look at  
24 the GDP of the United States of America, we are \$17 trillion  
25 and growing, which is good. We are the largest by far. We

1 spend about 3.8 percent on military. When you look at  
2 Russia, Russia is a little over \$2 trillion GDP, and they  
3 spend I think about 4.2 percent. And then you look at  
4 China, about \$9 trillion, and they spend I think in the 2.6-  
5 2.8.

6 In a nutshell, they say, well, why are they getting a  
7 bigger bang for their buck than we are. Why are we so  
8 costly as a military? What are we not doing efficiently?  
9 What can we do? How much redundancy do we do? I have had  
10 people ask me a simple question. We have the National Guard  
11 and we have the Reserve. They both do the same thing. Is  
12 there a way to work this out more efficiently? Why does  
13 every branch of the military have an air force?  
14 Procurement, getting something to market.

15 The F-35 strike fighter is going to be the one and  
16 done. Right? It is going to do it all. Do you all truly  
17 believe that it will replace all of the platforms you are  
18 taking off? General, we will start with you.

19 General Holmes: Thank you, Senator Manchin. You know,  
20 I think on the issue with the other countries and their  
21 investment, what makes us unique is that we have global  
22 responsibilities or we believe that we must be able to act  
23 globally that Russia and China do not necessarily take on.  
24 It is difficult to know exactly how much they spend, where  
25 we know pretty much exactly how much we spend --

1            Senator Manchin: These figures come from the World  
2        Bank. So they are watching it pretty close.

3            General Holmes: Yes, sir. But the difference I think  
4        is that our military, your military -- we are expected to be  
5        able to operate all around the globe and be able to get  
6        there and back on short notice.

7            As far as the --

8            Senator Manchin: I am sorry to interrupt. Those two  
9        countries we are most concerned about. Cybersecurity, cyber  
10      warfare, basically platform capabilities and what they are  
11      investing into. They are investing in this direction here.  
12      We are pretty much flat or going this way. Those are  
13      concerns, 10, 20, 30 years out where they are going to be  
14      and where we are going to be. And I think that is what we  
15      are asking. Where is our cost? Where can we as Congress  
16      help you in a more efficient, streamlined, lack of  
17      redundancies, if you will? And I know we put all of our  
18      eggs in one basket. Here is an infantry combat person who  
19      says I kind of like that A-10. But we bought into the Joint  
20      Strike Fighter.

21           Dr. LaPlante: So clearly there is a lot to think about  
22      under that question and it is a great question.

23           To start with, I think in the Air Force -- and I am not  
24      the expert on this. So you can ask me two or three  
25      questions. Then I will have to defer you to someone else.

1           But my understanding is we have about 30 percent excess  
2 capacity in terms of our infrastructure that we carry.

3           Senator Manchin: Excess capacity?

4           Dr. LaPlante: Yes. There is no way a private business  
5 would carry 30 percent extra capacity in their  
6 infrastructure. Maybe 5 percent, you might do it. 30  
7 percent? And I know BRAC is a four-letter word, but we have  
8 to start -- and I am not a BRAC expert. We have to take  
9 that stuff head on.

10          We also have to do things like recognize the fact -- it  
11 is the analogy maybe perhaps to the third world. Did you  
12 ever hear the story of somebody who is in a part of the  
13 third world, Africa or something, and you have better cell  
14 phone coverage than you do in Washington, D.C.? Part of the  
15 reason that some of the infrastructure in new countries is  
16 because it is new. We are still living with our old. But  
17 we have that issue with the Air Force, for example. Many of  
18 our airplanes are older than the pilots flying them.

19          I was in a meeting yesterday down at the Reagan  
20 building where the head of DLA, civilian head of DLA, who  
21 was sitting next to me said, boy, we got a request for 707  
22 parts. I did not even know we still had 707's. I turned to  
23 him and I said, yes, AWACS. I mean, we are keeping  
24 airplanes around that -- unbelievable.

25          Senator Manchin: Speaking of AWACS, you are going to

1 retire seven AWACS and seven Compass Call EC-130H's.

2 Dr. LaPlante: Yes. I can speak quickly to the AWACS  
3 and then turn it to my colleagues.

4 To the credit of General Welsh, the Chief, his  
5 philosophy -- and I will give you the logic of it -- is to  
6 say, okay, let us take AWACS, for example. All right. We  
7 need to recapitalize AWACS, 707. We talked about that.  
8 Okay. Where am I going to get the money? Where am I going  
9 to get the money? Well, maybe what I do is I take down the  
10 fleet now at some level with -- it is going to be all the  
11 risk you are taking to the warfighter, the unhappiness of  
12 the warfighter to take that money and pump it back into  
13 building a new thing. It is the equivalent of living --  
14 while your house is getting the addition put on, you live  
15 somewhere cheaply and you try to cut your costs and hope you  
16 can get through the few years. I mean, generally, that is  
17 what General Welsh has thought of doing here. Now, of  
18 course, there are pros and cons of that approach, but that  
19 is what he is coming up with with these ideas.

20 In the case of JSTARS recap, remember JSTARS had its  
21 introduction in the first Gulf War. Those were used  
22 airplanes then. Some of those airplanes had been flying  
23 cattle around. We still are flying JSTARS today in the  
24 fight, and the price to keep those going every year is going  
25 up. So we can sit and let this happen, or we can take risk

1 today to try to recapitalize. But that is why you are  
2 driven in those directions.

3 Anyway, I will stop and turn it over to my colleagues  
4 here.

5 Senator Manchin: General Wolters?

6 General Wolters: Ranking Member Manchin, I think that  
7 is a fantastic question, and we do not refute the challenges  
8 that you posed with respect to procurement. We are in the  
9 business, as are you, sir, to squeeze every penny out of  
10 every dollar. Some of the decent initiatives that are  
11 currently taking place that I think you would agree with  
12 with respect to the be all/end all F-35, it is an aircraft  
13 that is multi-role. It possesses the capability and  
14 capacity to work in the close air support environment, to  
15 work in the interdiction environment, to also work in the  
16 strike environment. Those attributes are ones that are not  
17 present in other aircraft.

18 With respect to getting the most bang for the buck,  
19 with respect to the dollars, I have to go back to the  
20 chairman's comment. When you take a look at warfighting, as  
21 you well know, sir, wars do not occur on 1-year intervals.  
22 And what we would like to do is impose a strategy with the  
23 appropriate planning and prosecute fights, but they do not  
24 occur on 1-year intervals. And as we work with the budget  
25 and we are in a position to where we do not possess the

1 capability to have the stability to plan for next year's  
2 funding level and the following year's funding level, it  
3 becomes challenging with respect to the munitions that you  
4 use, the platforms that you require, and the attempt to  
5 impose a strategy upon the enemy. So all those factors  
6 together put us in a position to where it is a challenge,  
7 sir.

8 And one of the good things your U.S. DOD has done with  
9 your assistance since 1986 is pushed very, very hard for  
10 joint integration and coalition integration. And today, as  
11 we attempt to prosecute the fight in Operation Inherent  
12 Resolve, we are reaping significant benefits as a result of  
13 our joining at the hip with our coalition partners to  
14 prosecute that campaign.

15 Senator Cotton: Senator Manchin, thank you very much  
16 for the important points, as well as the relatively closing  
17 gap between Russia and the United States. I would point out  
18 that Russia, because of the falling price of oil, has  
19 implemented its own version of sequestration. Their finance  
20 minister recently announced across-the-board, government-  
21 wide cuts with the exception of their military.

22 Senator Rounds?

23 Senator Rounds: Thank you, Mr. Chairman.

24 Gentlemen, I have appreciated the candor with which you  
25 have responded. With regard to the current proposals for

1 funding, I do not think there is anybody on this committee  
2 that does not want to see the appropriate funding levels  
3 offered and maintained.

4 Part of the discussion that we have had, as you are  
5 well aware, is the use of OCO funding, and part of your  
6 concern is the fact that it does not provide you anything in  
7 a base. But would it not be appropriate with appropriate  
8 direction with the OCO funds that you would be able to  
9 perhaps reconsider the way that you would view the use of  
10 those funds? But you are asking for a specific direction  
11 within the legislation. Fair statement?

12 Dr. LaPlante: I do not know that I would say we are  
13 asking. I would say this and I will turn it over --

14 Senator Rounds: Perhaps suggesting?

15 Dr. LaPlante: Yes. Where an example might be -- and I  
16 will turn it over to General Holmes here in a second. For  
17 example, what is the criteria that you could use OCO for?  
18 Is it for procurement, is it -- I mean the traditional thing  
19 in the last few years is if you lose an aircraft like an F-  
20 16 crashes or something, that tends to be something that OCO  
21 rules would apply for a loss replacement. Well, are the  
22 rules willing to be widened and changed from that, for  
23 example?

24 Senator Rounds: Precisely, but what you are saying is  
25 under the existing OCO rules, as you have had them presented

1 to you in the past, it presents a problem.

2 Dr. LaPlante: I will defer to General Holmes. He is  
3 the expert.

4 General Holmes: Yes, sir, it does. I mean, there has  
5 been some creative use of funds. We funded some Army end  
6 strength for several years to control their drawdown through  
7 OCO. So there are ways to use it and to use it effectively.  
8 Our concern is more the 1-year nature of OCO and not being  
9 able to plan ahead into the future.

10 Senator Rounds: I understand. Thank you.

11 Now, let me turn very quickly to the long-range strike  
12 bomber. Dr. LaPlante, the Air Force leaders have  
13 consistently stated that the aircraft per-unit cost of the  
14 LRSB would be at or below \$550 million. The House  
15 Appropriations Subcommittee on Seapower and Projection  
16 Forces hearing on March 4th, you seemed to intimate the cost  
17 today when accounting for inflation would be somewhat  
18 higher. Extrapolating annual inflation out to 2025 would  
19 indicate that the then-year cost would be well over \$640  
20 million per aircraft. Do you believe sticking by the \$550  
21 million unit cost without always qualifying it with the 2010  
22 base year dollars is somewhat misleading to the American  
23 public? Where do we go?

24 Dr. LaPlante: I am really glad I got the question. I  
25 just wish I had a chance to be in my classroom because I

1 love this. This is great. With 3 minutes on the clock, I  
2 am going to have to figure this out.

3 So nothing has changed in LRSB. We have completely  
4 designed the program around affordability. Nothing has  
5 changed. It is do everything exactly the way all of us who  
6 have researched it -- we have looked at what has gone wrong  
7 in acquisition. We are addressing every one. The  
8 requirements are completely unchanged. We actually baked in  
9 as a KPP the cost per airplane. At 100 airplanes, the cost  
10 is \$550 million. Ironically because we are so paranoid  
11 about changing the requirement -- the document was signed in  
12 2010 -- we are like can we adjust it for inflation. So we  
13 should remind everybody. We know and the budgeteers know  
14 that inflation happens just like you know with your  
15 constituents and people with their salaries. You could do  
16 an Internet calculator and see that \$55 in 2010 is \$57  
17 today. We know that. It is all taken into account.

18 Do I think we probably need to change it so people are  
19 not confused? Sure. I am sure it is not going to stop the  
20 questions.

21 We did the same thing in the F-35 about 2 years ago. I  
22 guess in 2013, we were still quoting 12 numbers, and we  
23 found then that some people were using then-year dollars.  
24 And finally, we said stop, stop. Here are the rules. The  
25 F-35 is always going to be talked about in price per plane

1       in then-year dollars with the engine. So now everybody is  
2       saying the same thing. Lockheed says the same thing.

3           It is now 2015, so yes, we probably should do it. But  
4       there should not be a lot of intellectual energy I spent on  
5       that other than we just need to be clear.

6           Let me make one other point. Again, I am really  
7       sensitive of our time. This is really important.

8           There are three pots of money and ways you fund phases  
9       of an acquisition program. The first is when you develop  
10      the program. It is typically R&D. And that is what you do.  
11      We do not have the privilege of letting industry develop on  
12      their own nickel most of the time. We have to develop it  
13      ourselves. So that is called development. Then you switch,  
14      hopefully pretty reasonably, into production. That is when  
15      you produce the airplanes. And then you sustain them. And  
16      as I said earlier, most of the money, when you look at the  
17      lifecycle of a program, is in that sustainment phase. In  
18      fact, that is the biggest risk, by the way, of the F-35 of  
19      getting the costs. It is sustainment.

20           So let us talk about what is the right contracting  
21       strategy in each one. And we have been trying to really  
22       show people -- and Frank Kendall has been doing this very  
23       well -- of getting people to think and understand the  
24       literature. There is not a checklist. You do not use a  
25       checklist. You actually have to think. It turns out in the

1 data 70 percent of development programs -- and this is  
2 actually intuitive to me. It makes perfect sense -- are  
3 cost-type programs. They are reimbursable costs. And that  
4 is typical in research and development because what happens  
5 is you have a goal of what you want to get done in the  
6 development, but you oftentimes do not have enough precision  
7 on exactly how much it is going to cost. So you just do  
8 cost reimbursable.

9 Now, if you just left it alone at cost reimbursable and  
10 did nothing, that might be a problem. But then what you do  
11 is you put incentives in, and this is what we are teaching  
12 people. An example of an incentive. You would put in and  
13 say, okay, the target you are going to spend in that  
14 development is this much. This is your target. It is cost  
15 reimbursable. You go above that target, we are going to  
16 start whacking your profit. You go even this higher, you  
17 are going to get zero profit. So that is what we are  
18 teaching people.

19 Now, still sometimes you want to do fixed price in  
20 development. We are doing the tanker fixed price in  
21 development for certain reasons. We are doing the CRH fixed  
22 price.

23 Senator Rounds: Let me just -- I am out of time, but  
24 let me just ask this. What you are saying is that we are on  
25 target.

1 Dr. LaPlante: Yes.

2 Senator Rounds: You are on top of it.

3 Dr. LaPlante: Yes.

4 Senator Rounds: And this very, very valuable long-  
5 range piece of machinery that we are looking at is moving  
6 ahead without any surprises so far.

7 Dr. LaPlante: No. This is really important. If I  
8 could, Mr. Chairman, give 20 seconds.

9 Okay. Here is LRSB, procurement, procurement, fixed  
10 price, fixed price. By the way, 100 airplanes. Even the  
11 first one that comes off the line is going to be fixed  
12 price. That is unprecedented in this kind of a program. So  
13 you better believe we have this thing controlled. And so I  
14 do not know if people are confused or they are bringing up  
15 inflation, but it is actually pretty straightforward and  
16 nothing has changed.

17 Senator Rounds: Thank you, sir.

18 Senator Cotton: Senator Donnelly?

19 Senator Donnelly: Thank you, Mr. Chairman. And thanks  
20 to all of you who are here with us today.

21 I wanted to ask about some specific programs, the  
22 weather satellites. You know, we were counting on the EU,  
23 and the EU's decision not to launch a replacement for the  
24 Meteosat-7 is causing concern in our ability to collect  
25 certain weather data over CENTCOM's region. How are we

1       adjusting our plans to compensate for that?

2           General Holmes: So we have the -- and I may get my  
3       acronyms wrong, but we have a weather satellite that we have  
4       not launched. There have been different views on whether we  
5       should launch it or not from different places in the  
6       Government, and as a result, we have not. We know there is  
7       congressional language that tells us to launch it by the end  
8       of 2016 or retire it. We want to launch it, but it takes  
9       longer than that to get it on contract and launch it. So  
10      our plan is to work with the Congress to see if we can get  
11      language that would allow us to do it and then launch that  
12      satellite to provide that capability.

13       Dr. LaPlante: Yes. And just let me add to that from  
14      an acquisition perspective. The general rule -- there are  
15      differences from when you get the satellite on contract, it  
16      takes nominally 2 years of integration work. This is  
17      engineering work to integrate it with the launch vehicle.  
18       So we have a general rule of thumb that we have to award 2  
19      years prior to a launch. So if you are saying in the  
20      language that we have now that it has to be launched by  
21      December 2016, that kind of does not work. So we could do  
22      it if directed. It just will not be before December.

23       Senator Donnelly: Well, here is another operational  
24      question. We are moving F-35's into Hill Air Force Base.  
25      What are we going to do with the F-16's?

1           General Holmes: Well, we cannot ask the same people to  
2 maintain both of them. So the plan that we had built would  
3 take those F-16's and make them available as A-10  
4 replacements for Air Force Reserve and Air National Guard  
5 units at Fort Wayne, Indiana and at Whiteman in Missouri.  
6 And if we are not able to come to an agreement with the  
7 Congress on what we are going to do with the A-10, then we  
8 will have to look at what we do with those airplanes, as we  
9 have to bring them down to make maintenance people  
10 available.

11           What we would like to do is to move them on and to  
12 replace those A-10's at those units with block 40's that  
13 have a lot of service life left and have a lot of length  
14 left.

15           Senator Donnelly: Terrific.

16           And I just want to ask one more operational question,  
17 and then I want to ask about drones.

18           The KC-46 -- and this is more of an installations  
19 question. When can we expect an announcement on the  
20 candidate bases for the Reserve-led operating parts?

21           General Holmes: Sir, we expect to make that  
22 announcement in September of 2016 I believe is the last  
23 information I got. So for OPS-3, which should be a Reserve  
24 base, we expect that in September 2016.

25           Senator Donnelly: Now, in regards to drones, how much

1 more would you need if you had the optimal plan for yourself  
2 on drones, the number of drones, the number of operators?  
3 In order to meet what you think is the threats you need to  
4 meet, the things you face, would you be at the present  
5 number or would you be much higher?

6 General Holmes: Sir, I am going to defer that question  
7 to General Wolters.

8 General Wolters: Senator, that is a great question.

9 As you well know, we as services provide resources to  
10 the combatant commanders on their request. And typically  
11 the number one request item from our combatant commanders is  
12 ISR followed by ISR followed by more ISR, and that typically  
13 equates to medium-altitude RPA aircraft that we possess in  
14 the United States Air Force. Right now, our United States  
15 Air Force will be postured in fiscal year 2016 to support 60  
16 CAP's, and the CAP's stands for combat air patrol. It can  
17 best be described as aerospace vehicles overhead to targeted  
18 medium altitude that possess the capacity to surveil from 18  
19 to 24 hours.

20 We believe, given the other elements of the enterprise  
21 in DOD and of our coalition partners that 60 is the correct  
22 number for the near term. It is that way because in the  
23 United States Air Force, we need to freeze the stick,  
24 establish a force that can innovate with 60 CAP's, let that  
25 settle for several years to where we have the appropriate

1       number of pilots per CAP per vehicle so that the enterprise  
2       will be in a position to where we can keep the force for the  
3       long term and then in the out-years we will be in a  
4       position, as we work with our partners, to feed the fight.

5           Senator Donnelly: Let me ask you this. You mentioned  
6       that the requests are for ISR's and then the next highest is  
7       ISR's and then the next highest is ISR's. In terms of the  
8       actual vehicles, how many more do you think you need to meet  
9       all the requests that are out there?

10          General Wolters: Senator, that is a great question.

11           We know that what we currently possess is not enough to  
12       meet the demands of the combatant commander in the Air  
13       Force, in the other services, and in the enterprise that  
14       services intelligence, surveillance, and reconnaissance.

15          Dr. LaPlante: I am not a warfighter, but as somebody  
16       who has been around the analysis community for a long time,  
17       I am at the point where I hear people say we need to do  
18       analysis on how much ISR we need. And I just say I will  
19       tell you the answer. More. Every time they do the analysis  
20       of warfighters coming back, it is just insatiable just  
21       watching this.

22          Senator Donnelly: And would that also reflect on the  
23       number of pilots that you need as well?

24          General Wolters: Senator, it does. And this goes back  
25       to the challenge that we face in the United States Air Force

1       with the number of airmen that we possess and the capacity  
2       and capabilities that we need to deliver for the joint  
3       fight.

4           The second largest area that our combatant commanders  
5       asked for support is in command and control and air  
6       superiority. So we are threading the needle between the  
7       size of our ISR force and the size of the force to serve  
8       those requirements that are given to us by the combatant  
9       commanders.

10          Senator Donnelly: Dr. LaPlante, I am out of time now,  
11       but one of the most striking things to me, since I have been  
12       on this committee, is the need for drones and drone vehicles  
13       and the constant statements of every single vehicle we have  
14       -- there are three or four people who want to get their  
15       hands on it for the next trip it takes. And so as you said,  
16       as you look at this acquisition system and you look at what  
17       we really need the most, it is like the old saying of the  
18       simplest explanation is often the best. What you need the  
19       most is probably the thing they are asking for the most.

20          Dr. LaPlante: Yes. Here is the problem with us in  
21       acquisition particularly the last 10 years. Most of the ISR  
22       demands come in through these things called JUONS. So what  
23       it is, is basically take things like Predator or Reaper and  
24       put this sensor or that sensor on it. It is a rapid  
25       acquisition thing with the CENTCOM.

1           So what was happening was a lot of our ISR that was  
2 getting this big demand was being run basically in this  
3 urgent need area, and none of the regularity, which is good  
4 and bad, of acquisition was being done. So we are trying to  
5 figure out what is normal in ISR. For a while there, I kept  
6 saying, well, the demand in all this crazy, urgent  
7 operational need stuff will end as soon as we get out of  
8 Iraq. It did not happen.

9           Senator Donnelly: And it will not happen.

10          Dr. LaPlante: And I think you are right. And so here  
11 is what we are doing on Predator and on Reaper. We are  
12 saying, guys, accept that this is always going to be this  
13 way. Build a baseline and then build a rapid part of the  
14 acquisition that will assume this stuff will keep dropping  
15 in. Just to get exactly at your point, because this is not  
16 normal. It is not a classic thing. The demand signal just  
17 keeps going up. So you are right.

18          Senator Donnelly: Thank you, Mr. Chairman.

19          Senator Cotton: Senator Ernst?

20          Senator Ernst: Thank you, Mr. Chair, and  
21 congratulations.

22          Thank you, gentlemen for being here today. I  
23 appreciate your testimony and your candor.

24          The good Senator Cotton took a lot of my A-10 line of  
25 questioning, but I would like to just go back a little bit

1 because maybe this has been provided to previous committees.  
2 I am not certain. But when we are comparing the cost of A-  
3 10 sorties versus the F-35 as a replacement, I have not seen  
4 any numbers on that. In my simple Army National Guard mind,  
5 I know that the A-10 flies a lot slower. I know it is  
6 preferred by ground troops. The F-35 might be a lot faster.  
7 I do not know. The F-15 is a lot faster. But time spent in  
8 the air -- you know, how long do the replacement aircraft  
9 stay in the air before they have to see the tanker? What  
10 kind of payload can they carry as far as munitions? All of  
11 that matters to those troops on the ground. That is very  
12 important. And most of the ground pounders that I have  
13 talked to, the men and women that I served with, when you  
14 ask them, they say they would rather see an A-10 in the air.

15 I know that is, again, unqualified by numbers. I would  
16 like to see those numbers so that if we are proposing we  
17 make this change, that I can defend it because right now I  
18 cannot, and in my mind I am not prepared to defend it. I do  
19 not want to defend it at this point. I would love to see  
20 the A-10's remain. So if you would just comment briefly to  
21 that.

22 General Holmes: Yes, ma'am. Senator, thank you.

23 You know, I think we like the A-10 too. It is not just  
24 that the guys on the ground do. We do too. We like the  
25 airplane. It was built to shoot tanks in the Fulda Gap to

1 stop a Russian invasion of Europe is what it was built to  
2 do. Over time, it has been modified and updated, and it is  
3 a very good platform for the environment that it is  
4 operating in now where there is almost no ground threat,  
5 there is no air threat, and so it can use its advantages of  
6 long loiter time and being able to fly close and carry a  
7 large weapon load and be effective. It is not the only  
8 airplane that can be effective, as we talked about.

9           It certainly costs less to operate than an F-35 will.  
10 And there is no set of math that would tell you anything  
11 different. The A-10 is always going to be cheaper to  
12 operate than an F-35 will be, and I would stipulate that.

13           The question is that in the environments of the future,  
14 can it get there. And so what we are trying to do is make  
15 sure that we have a way to support soldiers in the future as  
16 well that may be operating in a place where there are  
17 sophisticated surface-to-air defenses.

18           We estimated that the loss rate of the A-10 in the  
19 Fulda Gap scenarios back in the 1970's was really, really  
20 high. They were not going to last through the conflict and  
21 they were going to take a really high attrition rate. And  
22 if you looked at the places that they employed in the first  
23 Iraq War, if they got up into a sophisticated ground threat,  
24 they took a pretty good beating. It is a tough airplane and  
25 they were able to fly a lot of those home with the damage

1       they took, but they could not fly them again. And so they  
2       could not support ground troops the next day because of the  
3       damage that they took.

4           So what we are trying to do is balance our ability to  
5       support our brothers and sisters on the ground today, make  
6       sure we have the capability to do it 20 years from now if  
7       they are operating in place where they may be on the  
8       defensive, you know, for once where the enemy is bringing  
9       their fire power with them like the Russians were going to  
10      do and they have sophisticated defenses with them. We think  
11      it is worth paying a little bit more, cost per flying hour,  
12      to be able to get there instead of having a cheaper airplane  
13      that you cannot use. And I think that is the simple part of  
14      it.

15       We would love to keep the A-10 until the wings fall off  
16      of them if we could afford to do it. It is just how do we  
17      fit that capability in and plan to support the ground troops  
18      of the future within the same limited budget.

19           Senator Ernst: Thank you.

20           Yes, General Wolters.

21           General Wolters: Senator, if I could. I served as the  
22      Air Chief in Afghanistan for a year and had the good fortune  
23      to command A-10's, F-15E's, F-16's, and B-1's in harm's way.  
24      All were referred to as fantastic CAS platforms depending  
25      upon which soldier you talked to who happened to be in the

1 middle of a troops in contact scenario.

2       One of the challenges that we faced with the A-10 was  
3       the fact if we had multiple engagements separated by  
4       distances greater than 100 nautical miles, you are  
5       potentially in a position to where some of the other  
6       aircraft that possessed the capability to dash quicker  
7       between targets would be able to serve multiple targets.  
8       And that is a classic illustration to where the A-10 was  
9       slightly challenged due to its inability to achieve a high-  
10      end speed.

11       But I could not agree more with what General Holmes  
12      said and with what your candid observations are about the  
13      A-10. It is a wonderful close air support aircraft. I have  
14      flown it. I have flown its predecessor, the OV-10, in the  
15      early 1980's. But there are some things that become  
16      challenging certainly in a non-permissive environment, and  
17      there are still things that occur in today's combat  
18      permissive environment where other aircraft possess a little  
19      bit better ability to dash to other targets.

20       Senator Ernst: Thank you. I do appreciate that,  
21      gentlemen.

22       I know we had spent some money modernizing the A-10's,  
23      and now I see in part of the discussion with the C-130  
24      fleet, another aircraft that is well beloved by many members  
25      of our armed services. My husband took off in a lot of

1 C-130's, did not land in a whole lot of C-130's. So just a  
2 little bit of discussion, if you would please. Talk through  
3 the modernization plan with the avionics. And if we spend  
4 this money, then are we going to turn around and in another  
5 5 years say the C-130 is not good enough, we need a  
6 different aircraft?

7 General Holmes: Thank you again, Senator, for that  
8 question as well.

9 We had some very productive meetings with staffers this  
10 week on both your staff and with your House counterparts,  
11 and we think we understand the intent of the Congress in the  
12 2015 NDAA language and we are going to move that and execute  
13 that intent. So our intent is to spend the AMP money in the  
14 budget on AMP, as we were directed to do. There is prior  
15 year money there that we can spend to begin buying radios  
16 required for AMP and to finish the RDT&E for AMP that would  
17 do a tech refresh on the avionics modernization program, the  
18 program that we are having a hard time finding the money to  
19 pay for because in the years since, we have let that pause,  
20 there are newer components and there are manufacturers that  
21 are not making them anymore. It will take a little R&D  
22 money, and we will expend that money to do that.

23 We believe the NDAA also gave us the authority with the  
24 certification by the SecDef to take the money we had in  
25 there for airspace compliance, the CNS/ATM money that

1 Ranking Member Manchin talked about, and start to apply that  
2 to make sure that the airplanes are compliant and able to  
3 fly in the airspace. We have to do both.

4 We had brought a plan for a couple years that would do  
5 a modernization plan that was compatible with a very quick  
6 effort to go make those airplanes compliant. The time has  
7 delayed now to where we are going to go ahead and move ahead  
8 with the avionics modernization program as our modernization  
9 program, and then we hope to work with a lesser program to  
10 make them compliant in the airspace, and then at some point  
11 those programs will meet.

12 What we found is when we took another look, after the  
13 time that we had been stuck deciding on the way forward --  
14 we took another look at it and as we reduce the C-130 fleet  
15 down, we are down to about 328. If we are able to get down  
16 to 300 next year, which we think still exceeds the  
17 requirement, then the costs start to come together between  
18 the aviation modernization program and the program that we  
19 had proposed to the point that the costs were close to the  
20 same. So we are going to move forward and follow the  
21 direction of the 2015 NDAA.

22 Now, it will still be hard to come up with that money.  
23 We will need help to do that. It is multiple billion  
24 dollars over a couple of FYDP's, and that means there is  
25 something else that will not get done in the defense budget.

1     But we are going to budget the money for the compliance  
2     part. We are going to move out with the prior year money in  
3     AMP and then we want to work with the Congress to figure out  
4     how we are going to pay for that modernization program.

5              Senator Ernst: Thank you very much, gentlemen. I  
6     understand we have a need to protect our taxpayers, but we  
7     have a need to protect not only our men and women in uniform  
8     but also all of our Americans here in our homeland.

9              So thank you, Mr. Chairman.

10          Senator Cotton: Senator Lee?

11          Senator Lee: Thank you, Mr. Chairman.

12          And thanks to each of you for joining us. Thanks for  
13     all you do to keep our armed services running well. I am a  
14     big fan of the Air Force and appreciate what you do.

15          Late last year, the Air Force began a study into the  
16     future needs of test ranges and their infrastructure on  
17     those ranges, a key to maintaining readiness and innovation  
18     within the Air Force. What would you say -- and this is  
19     open to all of you and any of you who want to answer it.  
20     What do you believe are the most critical needs for Air  
21     Force test ranges in order to make sure that those ranges  
22     are able to adequately test fifth generation aircraft and  
23     weaponry against the threats that they are likely to be  
24     facing in the next few decades.

25          General Holmes: Yes, sir. So we dealt this year -- as

1       we start to build our 2017 budget, we took a brief that you  
2       may have seen from our test and evaluation people that  
3       outlined the state of our test and evaluation enterprise.  
4       And as we know that we are contemplating, as the chairman  
5       said, spending hundreds of billions of dollars on the Air  
6       Force here over the next 20 years in the modernization  
7       effort, that we need to make sure that we have the test and  
8       evaluation enterprise that will support testing those things  
9       and making sure that they work.

10           So we spent a multiyear project kind of bringing  
11       together exactly what needs to be done to accomplish that.  
12       And the kinds of things we are talking about are simulated  
13       threat emitters so that you can go out and fly against a  
14       particular SAM system and see if it works or not, the test  
15       stands where you can put aircraft on a test stand and look  
16       at different wavelengths of energy against them so to see  
17       whether they are detectable or not by different radars and  
18       to test those capabilities that we are bringing forward.  
19       And then there are also some S&T issues of things like wind  
20       tunnels and test facilities and those areas.

21           We have put a plan together. We think we have a plan  
22       to start going toward to pay for it. As we start talking  
23       about our test and evaluation enterprise, because of those  
24       programs that we are going to test and evaluate, it gets  
25       difficult to talk about in an open session. But we can come

1 back and provide you some more information.

2 Dr. LaPlante: And I would say many of us are keenly  
3 aware, as we move to this next generation, whatever you call  
4 it, A2AD, fifth generation air superiority, we need the  
5 testing and then the accompanying modeling and SAM because  
6 of the scales we are going to be doing to make this  
7 realistic so those of us an feel confident we really  
8 understand these systems. If you really look at the scales  
9 that are now involved -- and we have multiple platforms.

10 One of the things that the F-35 brings F-22 is the fact  
11 that, you know, the forward ship and all that and the  
12 fusion. We would love to be able to test that robustly over  
13 large areas, at least somewhat to validate it against, as  
14 General Holmes said, realistic emitters, realistic threats.  
15 We do not want to be testing against 2-foot tall adversaries  
16 potentially. We need to test against modern stuff, and it  
17 is a challenge.

18 And just as somebody who comes out of testing in my  
19 heritage is that it is increasingly harder to test things  
20 because our ranges get more encroached on. Our restrictions  
21 become closer. But we have to do it. There is no  
22 substitute for a test. As we say, all models are wrong.  
23 Some are useful. You have to test.

24 Senator Lee: That is right. Thank you for that  
25 insight. I hope you know how much support there is in Utah

1 for the great work that you do in the Utah Test and Training  
2 Range. One of the great assets that we have is the Utah  
3 Test and Training Range, given the sheer expanse of land  
4 that we have got there, uninterrupted land that can help  
5 with the very things you are describing.

6 Dr. LaPlante, the Air Force is migrating the logistics  
7 function under your office in an attempt to create better  
8 efficiencies and cost benefits between acquisition programs  
9 and the sustainment and lifecycle processes. Can you give  
10 us an update on this process and tell us about what  
11 provisions exist within the structure to ensure that the  
12 logistics deputy has an opportunity to adequately influence  
13 the process of acquisition so that sustainment  
14 considerations are built into the weapons systems from the  
15 beginning?

16 Dr. LaPlante: So this has actually been really  
17 exciting. It is March now. We did it on October 1st. What  
18 we did, just for the chairman and for the rest of the  
19 committee, we brought in the headquarters of the Air Force,  
20 the logistic policy experts, into the acquisition. Now, the  
21 risk was, for people who really know how good the Air Force  
22 does logistics and how wonderful our depots are, hey, you  
23 acquisition people, you better not screw up what is going  
24 really, really well. But on the other hand, if you could  
25 pull this thing off and you can get acquisition experts in

1 at the beginning of these programs -- as I said earlier, 70  
2 percent is in the cost -- it could be a pretty wonderful  
3 thing. It is a pretty wonderful thing.

4 I ran into my two-star equivalent who leads that part  
5 of my organization just last week, Dan Friez. I said, Dan,  
6 how is it going? Because remember, that organization was  
7 picked up down the hallway and moved into mine. He goes, we  
8 are so busy. We are overwhelmed. I said, was it more than  
9 it used to be? Yes. Why? What is going on? All the  
10 acquisition people are bringing us in to all their meetings  
11 at the beginning of the acquisition process. It is like it  
12 has changed the culture. So I think it is really, really  
13 exciting.

14 Senator Lee: Exactly what you wanted to hear.

15 Dr. LaPlante: Yes, yes. All the signs are really  
16 good. And I have to give a shout out to General Bruce  
17 Litchfield at the Air Force Sustainment Center. You see it  
18 at Ogden. We see it at Tinker. We see it at Warner-  
19 Robbins, just remarkable stuff. So, hey, you know, the fact  
20 that we can cozy up and bring some of that magic together  
21 with acquisition, I mean, I think it is really awesome. So  
22 far so good.

23 Senator Lee: I am pleased to hear it. As you know,  
24 everyone was nervous when it happened, but it seems to be  
25 good so far.

1           And, Mr. Chairman, if I can ask one more short question  
2 if I promise to make it short.

3           There was an article published on military.com last  
4 week indicating that the F-35 will not be able to fire the  
5 small diameter bomb 2, you know, the close air support  
6 weapon, until 2022. Can you tell us about what other close  
7 air support capabilities the F-35 will be capable of prior  
8 to that 2022 time horizon?

9           General Holmes: Yes, sir. So when we talk about  
10 having an initial CAS capability, it means that the airplane  
11 when it starts that IOC -- it will have the ability to use  
12 the GBU-12 or a laser-guided weapon. It will have the  
13 ability to use JDAM, the drop on coordinates, and it will  
14 have the radios and the messaging required to be able to  
15 operate with a JTAC to take both digital CAS messages that  
16 come through without words, that pass coordinates and  
17 instructions or it will have the right radios to talk to the  
18 guys on the ground to do that. Later on in the models that  
19 we get to by FOC, we will integrate SDB as you said.

20          And I saw the article. The article I saw said it will  
21 not fit in the marine bay. I am not sure if that carries  
22 over to us or not. We will have to get back to you.

23          But it will start out with that initial capability, and  
24 then it will add larger JDAM, the 2,000 pound JDAM, the  
25 ability to carry GBU-12's outside of the wing, and the

1 ability to carry SDB inside and maintain its stealthiness  
2 while it does it.

3 Senator Lee: Great. Thank you.

4 General Wolters: Just one addition, sir. In between  
5 IOC and FOC, the F-35 will gain the capacity to shoot the  
6 25-millimeter gun, which will also enhance its capability in  
7 the CAS environment.

8 Senator Lee: Great, great. Thank you very much.

9 Thank you, Mr. Chairman.

10 Senator Cotton: Senator Manchin?

11 Senator Manchin: Very quickly, one question. And  
12 this, I think, is for General Holmes. In the Air Force  
13 report on the recommendation of the National Commission on  
14 the Structure of the Air Force, the Air Force indicates that  
15 the Air Force is 7 percent short of meeting demands for  
16 fighters with the current force structure. The report  
17 asserts that shifting more effort to the National Guard and  
18 Air Force Reserve, as recommended by the commission, would  
19 result in a shortage of 10 percent in fighter forces  
20 available.

21 Several years ago, the Air Force, as a part of the new  
22 defense strategy, reduced combat air force, the CAF fighter  
23 force structure under the so-called CAF Redux.

24 So I guess I would ask, General, why did the Air Force  
25 fail to inform us that by approving the CAF Redux, that we

1 would be approving a force that was 7 percent short of  
2 meeting its requirements? I do not think we were notified  
3 at that time. And I guess now with the A-10, would that add  
4 to the 7 percent shortfall?

5 General Holmes: Thank you, Senator Manchin.

6 So there are several different kind of requirements  
7 that we look at. The first one we talk about is the surge  
8 capacity, its ability. We are all in. We are taking  
9 active, Guard, Reserve, everybody goes. Everybody gets  
10 mobilized, and it is kind of the worst case scenario in the  
11 defense guidance. It would be to defeat in one area, to  
12 deny in another area, to provide homeland defense and  
13 nuclear deterrent all at the same time. Within that area,  
14 at the force structure we are now, we are on the ragged edge  
15 of being able to meet that worst case scenario, and as we  
16 make this drawdown, that risk gets worse.

17 What the report is talking about is the rotational  
18 ability to support what we do with COCOM's every day. So  
19 because when we rotate forces forward, if you rotate active  
20 forces on what we would call a 1 to 3 deployed to dwell,  
21 that means for every unit you have down range, you have to  
22 however three back home that are in the dwell period  
23 training, resting, getting ready to go back.

24 The active force we would like to deploy on a 1 to 4  
25 deployed to dwell so that they can have enough training time

1 to regain the full spectrum readiness that General Wolters  
2 talked about. But in reality, we are closer to a 1 to 2  
3 deployed to dwell or a 1 to 3 deployed to dwell.

4 For the Reserve component, to mobilize them, we looked  
5 at a mobilization to dwell of 1.5 or 1 to 5. So for every  
6 one period they are deployed or mobilized, there are five  
7 units that are not deployed.

8 So if you move things from active over into the Reserve  
9 component, now you have cut down on your ability to support  
10 that rotational requirement within the dwell rate. And that  
11 is what our response talked about. If you move more force  
12 from active into the Guard, then because of the longer time  
13 we have to give them because of the different place they are  
14 in their life and as citizen soldiers, they cannot deploy as  
15 much, then you have a decrease in your ability to meet that  
16 rotational requirement or what we do every day to support  
17 COCOM's around the world.

18 Senator Manchin: Thank you, sir.

19 Senator Cotton: Senator Sullivan?

20 Senator Sullivan: Thank you, Mr. Chairman.

21 General Wolters -- first I want to thank all of you for  
22 your service and the men and women you lead.

23 I would like to focus a little bit on the ISIS mission.  
24 I have heard talk about, hey, we do not have combat troops  
25 over there. I know that is obviously a mistaken assumption.

1       The men and women flying those close air supports are  
2       definitely combat troops risking their lives on a daily  
3       basis. Who is calling in those strikes right now?

4              General Wolters: Senator, the majority of those  
5       strikes are being called in by ground component commanders  
6       of different sectarian nature that are joined by our forward  
7       forces, some of our U.S. special forces on the ground. And  
8       that data is subsequently passed back to a headquarters  
9       either as far back as Qatar or down to Kuwait where in a  
10      command and control center we examine the target --

11             Senator Sullivan: Do we have JTAC's on the ground  
12      there calling in air strikes?

13             General Wolters: We have JTAC's assisting individuals,  
14      but they are not calling in the air strikes.

15             Senator Sullivan: So are they out there on the ground?

16             General Wolters: There are some in forward  
17      headquarters in Baghdad and in Kuwait.

18             Senator Sullivan: And do you think we have a robust  
19      capability in terms of marines or Air Force or special  
20      forces on the ground in the event we need to go kick in a  
21      door or two to go get a downed pilot?

22             General Wolters: Sir, we do. In the event that we  
23      have a downed pilot, we possess the capability to bring in  
24      the appropriate size force to accomplish a successful  
25      personal recovery mission.

1 Senator Sullivan: Good.

2 I want to switch. You were talking about resources to  
3 the combatant commander. You probably saw in the news today  
4 the Russian exercise in the Arctic this past week, 38,000  
5 soldiers, 50 surface ships, 110 aircraft. This is in  
6 addition to the four new combat brigades they are putting in  
7 the Arctic, a new Arctic command, 13 new airfields. If you  
8 look at a map of what the Russians are doing in the Arctic,  
9 it is pretty significant. A huge icebreaker fleet that they  
10 are dramatically increasing.

11 You have served in Alaska. You have served in  
12 Elmendorf. I know Senator Lee was talking about Utah's open  
13 airspace, but I think JPARC is probably the most open  
14 airspace in terms of training maybe in the world.

15 And yet, with regard to resources in the Arctic, there  
16 is no Arctic OPLAN. In terms of your ability to resource  
17 combatant commanders, do you think we need an Arctic OPLAN,  
18 particularly given the threat that the Russians are posing  
19 and the buildup in the Arctic and, to be honest, the fact  
20 that some of your sister services are talking about reducing  
21 forces in the Arctic?

22 General Wolters: Senator, I would like to carry more  
23 of this conversation in a different environment so we could  
24 speak at a different level. But as you well know, sir, we  
25 do possess the capability to allocate current assigned

1       forces between combatant commands to put them in a position  
2       to where we have the access to help support some of the  
3       challenging areas that you are alluding to.

4           And the good news about one of your references,  
5       certainly the UTTR is a fantastic range. The JPARC is a  
6       fantastic range. And in and around that vicinity, it gets  
7       us good access to be in a position to help thwart the threat  
8       that you are alluding to.

9           Senator Sullivan: But if we do not know as kind of the  
10      services that are sourced and the requirements, what the  
11      requirements are according to the combatant commanders, it  
12      makes it a little tougher to plan. Does it not?

13          General Wolters: It does.

14          Senator Sullivan: Do you have any thoughts on that,  
15      General Holmes?

16          General Holmes: Nothing to add, sir.

17          Senator Sullivan: You know, General Welsh, has talked  
18      very positively about barring any major issues that the  
19      first F-35A's would be scheduled to arrive at Eielson late  
20      2019. Do you have any idea when the production line will  
21      begin building F-35's for Alaska?

22          General Wolters: Sir, typically we pay for airplanes 2  
23      years before they are delivered. So the airplanes that will  
24      be delivered in fiscal year 2019 would be paid for in 2017,  
25      and they would start the construction then after that, and

1       they would roll off the line, if everything works right, in  
2       about 2 years after the time that we appropriate the money  
3       and obligate the money.

4              Senator Sullivan: So that is about 2017.

5              General Wolters: Yes, sir.

6              Dr. LaPlante: Yes, and at the right time you can go to  
7       Fort Worth and pick the first tail number that is going to  
8       go there. We did that in January. The first tail number  
9       that is going to Hill, Joe Carlisle wants to fly it into  
10      Hill because Hill, of course, is where we are going to have  
11      the IOC. So, yes, you can go by tail number and find your  
12      airplane and sign your name --

13             Senator Sullivan: If you keep us posted on that, we  
14      will be in Fort Worth, the earlier, the better.

15             I also want to talk about, you know, in terms of  
16      training. I know we have talked a lot about sequester and  
17      the effect that will have. And I know you gentlemen believe  
18      that the most important thing we can do to take care of our  
19      troops is to train them hard, rigorously so they come home  
20      after they have real-world contingencies or go to combat.

21             One of the things that I did not see in the testimony  
22      was the development of any new generation of aggressor  
23      platforms for particularly our fourth and fifth generation  
24      fighter fleets. So specifically, do you think the F-16 is  
25      too expensive to fly as an aggressor platform, and is the

1 Air Force looking at developing a more capable, less costly  
2 aggressor platform that can serve in places like Alaska  
3 where we have a fourth and fifth generation fleet?

4 General Wolters: Senator, I will start with this. We  
5 certainly think that the F-16 is a capable platform of  
6 appropriately representing the threat. As we speak, we will  
7 be working in the next several years to improve our  
8 operational training infrastructure, and part of that  
9 improvement will include some additional avionics packages  
10 that can be placed on board the F-16 to better replicate  
11 fourth and fifth generation threats. And we will also  
12 leverage the capability on great ranges like JPARC where we  
13 can invoke live, virtual, and constructive into the  
14 environment so that we can better replicate some of the  
15 existing capabilities that exist in our potential  
16 adversaries.

17 Senator Sullivan: So the cost of the F-16, in terms of  
18 an aggressor platform, is not something that is concerning?

19 General Holmes: In the short term, it is what we have,  
20 Senator. In the long term -- thanks for the question. You  
21 know, we have looked at several options. It is really too  
22 early for any decision. But as we look at our T-X airplane  
23 that we are building as a replacement for the T-38 and is an  
24 advanced trainer, we are setting those requirements and  
25 being careful to limit them to the requirements we need for

1       the trainers so we do not make a system that is too  
2       expensive to be able to fit into our 20-year plan, as  
3       Chairman Cotton talked about.

4           But we are also going to write a requirement in for  
5       that airplane that it has excess growth capacity inside it.  
6       It will have extra room. It will have extra electrical  
7       power and extra cooling air so that if in some point in the  
8       future we want to take that much-cheaper-to-fly airplane and  
9       modify it to do some other roles like companion trainer for  
10      the bomber pilots or potentially maybe an adversary airplane  
11      -- we have not made any decisions about that, but we are  
12      thinking about ways to do that mission cheaper in the  
13      future. But for right now, the F-16 is the most cost-  
14      effective adversary platform that we have.

15           Dr. LaPlante: I just wanted to close the loop on  
16       something we said earlier. The strategic agility and build  
17       adaptability in the platform, what General Holmes just went  
18       through with the T-X, knowing that we may want to use this  
19       thing in other places we are not going to lift requirements.  
20       Let us build some margin in to take on what you are saying  
21       in the future. Let us not limit our future options.

22           Senator Sullivan: Thank you. Thank you, gentlemen.

23           Senator Cotton: Dr. LaPlante, one final question.  
24       Last month on February 4th, the Dowty propeller factory in  
25       Gloucester, England was destroyed by fire. The Air Force

1 subsequently informed Congress that Dowty was the single  
2 manufacturer of the C-130J propeller. Can you tell us about  
3 the impact of the loss of this factory on the C-130J  
4 production and readiness?

5 Dr. LaPlante: Yes, indeed. And it was serious. It  
6 was a real fire that destroyed equipment production  
7 equipment.

8 We have enough propellers to keep the production line  
9 going through about November, and then after November, we  
10 are going to have to come up with a mitigation plan. And  
11 they are working that right now to try to understand how to  
12 do it. I cannot promise you that there is not going to be  
13 an impact on production. I do not know that there is not  
14 going to be. I am concerned. But we have enough to  
15 continue the production through November, and then I think  
16 what we need to do is when we have a fuller understanding of  
17 the mitigation plan, we need to come back to you and show  
18 you what we think the impact is. But it was a pretty  
19 serious event for us.

20 Senator Cotton: Do you have any projections on when  
21 you might have that mitigation plan or what the course --

22 Dr. LaPlante: Yes. I think within a month I think we  
23 should know. And I would be happy to get back with you all  
24 and get our staff to show you how we are planning to get  
25 around it because we need to keep the production line going

1 for the 130J's, obviously.

2 Senator Cotton: Moving beyond this specific incident,  
3 is it best practice to have a single manufacturer of such a  
4 critical component?

5 Dr. LaPlante: Obviously, it should not be. But, you  
6 know, I would say this.

7 Senator Cotton: Not just a single manufacturer, a  
8 single-site manufacturer.

9 Dr. LaPlante: Right. Yes. I mean, there is no way to  
10 answer your question other than saying it should not be a  
11 best practice to do it. It is not a best practice.

12 On the other hand, I would say that there are a lot of  
13 critical suppliers. Typically they are subcontractors that  
14 we worry a lot about exactly this kind of thing happening.  
15 The same kind of thing -- it sounds less dramatic than a  
16 propeller, but it is just as impactful -- some of the  
17 suppliers that make our very precision inertial navigation  
18 measurement systems. I can give you a list of suppliers  
19 that do one-of-a-kind thing that we always are trying to  
20 keep up a backup. But that is what we worry about all the  
21 time with our industrial base. Absolutely.

22 Senator Cotton: I want to ask, mindful that this is a  
23 public hearing -- so I will be cautious in asking and ask  
24 you to be cautious in answering -- if there are other such  
25 single-site capabilities of which Congress should be aware.

1 And if you are not comfortable discussing them here, you can  
2 submit your answer in a classified setting to this committee  
3 or the Intelligence Committee, on which I also sit.

4 Dr. LaPlante: Yes. I would very much like to do that.  
5 We need to follow up and let you guys know where we think it  
6 is really an industrial base question. It is one of the  
7 critical components, where they are being made, and are  
8 there single points of failure. You need to see where these  
9 are. We have some of this already.

10 The other thing is -- and the 130J is kind of like this  
11 I suppose -- sometimes these are things that multiple  
12 services rely on. We find out that the Navy and us rely on  
13 the same subcontractor on an inertial navigation system. It  
14 is kind of a mom and pop shop. We were looking for these  
15 all the time. We will get back to you. Thank you.

16 Senator Cotton: Yes, please do submit that list  
17 through the appropriate channels.

18 Dr. LaPlante: Will do.

19 Senator Cotton: The hearing is adjourned. Thank you,  
20 gentlemen.

21 [Whereupon, at 4:10 p.m., the hearing was adjourned.]

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