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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2005

WEDNESDAY, APRIL 7, 2004

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:07 a.m., in room SD–192, Dirksen Senate Office Building, Hon. Ted Stevens (chairman) presiding.

Present: Senators Stevens, Cochran, Domenici, Bond, Burns, Inouye, Leahy, and Dorgan.

DEPARTMENT OF DEFENSE

NATIONAL GUARD BUREAU

STATEMENT OF LIEUTENANT GENERAL H. STEVEN BLUM, CHIEF

OPENING STATEMENT OF SENATOR TED STEVENS

Senator STEVENS. Thank you very much, Generals. I am sorry to be a little late. We welcome you all so we can review the National Guard and Reserve programs.

There are two panels scheduled this morning, I would say to the members of the committee. First, we will hear from the National Guard leadership, followed by the leadership of the four Reserve forces. Our first panel, obviously, is General Steven Blum, the Chief of the National Guard Bureau; Lieutenant General Roger Schultz, Director of the Army National Guard; Lieutenant General Daniel James, Director of the Air National Guard. We thank you gentlemen for joining us this morning.

There is no question that the Guard and Reserve have been asked to perform beyond the normal call of duty and you have taken on your missions in Iraq and Afghanistan and elsewhere around the world in great fashion. Despite the burden and stresses that each of the Guard and Reserve service members have had to assume since 9/11, they continue to make extraordinary contributions to our Nation's security and we thank all of the citizen soldiers that are under your command.

We have had visits to Iraq, Kuwait, Pakistan, and Afghanistan, and we have seen your people in action. We congratulate you for what you have done and pledge to you our support for what you are going to do in the future.

Does any member have an opening statement?

Senator BOND. Mr. Chairman?

Senator STEVENS. Sir.

STATEMENT OF SENATOR CHRISTOPHER S. BOND

Senator BOND. Mr. Chairman, I join with you in welcoming the generals and all of the men and women from the National Guard. Senator Leahy and I are very proud to be able to work with the members of the Guard Caucus and particularly this committee in supporting the Guard, whether it is an allocation in the National Guard and Reserve Equipment Appropriations (NGREA) account or full-time support, additional rotor wing aircraft, Army aviation, additional civil support teams, the Youth Challenge program, just a few of the important things the Guard is doing.

We understand there are over 170,000 Guard and Reserve forces currently activated and almost 40 percent of the force in Iraq is composed of Guard and Reserve. I think we have to remain diligent to follow up to see that we support the Guard and the Reserve as they support us.

That is why Senator Leahy and I investigated concerns about medical holds and housing at Fort Stewart, Georgia. We got the response we needed. Soldiers on medical hold are getting better care and housing and the Army does not want a repeat of what went on at Fort Stewart.

Right now I am working with a number of people to make sure that we get the mail system modernized so that mail can get to deployed troops overseas. Majority Leader Frist asked for a General Accounting Office (GAO) investigation of the mail system and that report is due out the end of April. We are hearing that it is going to have some very, very deep concerns about the ability to get mail to deployed troops which is very important for morale.

Those of us in the political realm know that it is very important that Guard and Reserve who are deployed be able to vote. Twenty-nine States, including my State of Missouri and a number of other States here, require voting by mail, and if we cannot get the absentee ballots to our deployed troops and get them back, then they are disenfranchised. In Missouri last year, the Secretary of State checked on the 2002 election and found that 40 percent—40 percent—of the Missouri military deployed abroad who applied for absentee ballots did not get their ballots counted. And with much larger numbers deployed now, I think it is absolutely imperative. I have spoken to the Secretary of Defense, and I hope that the bureaucracy will get off its duff and make sure that we develop a mail system that can get the mail that our deployed troops deserve to see on a regular basis from home and also be able to participate in the political process.

I thank all the members of the Guard. I want specifically to recognize Sergeant 1st Class Stephanie Leonard. She is a citizen soldier committed to supporting the community and the Nation's military, an excellent example, the first Bronze Star female winner in the Missouri National Guard. Sergeant, thank you very much for being with us.

Thank you, Mr. Chairman.

Senator STEVENS. While we are recognizing constituents, Senator, let me point out that the students in the back of the room are from the Colony High School Closeup group from Palmer, Alaska. They have come 4,500 miles to be with you this morning.

That is where they grow all those big pumpkins and big squash and things like that.

Does any other Senator wish to make an opening statement?

Senator COCHRAN. I would just ask, Mr. Chairman, to have my statement printed in the record. I join you in welcoming our witnesses and thank them for their service and their leadership.

Senator STEVENS. Thank you very much, Senator.

[The statement follows:]

PREPARED STATEMENT OF SENATOR THAD COCHRAN

Mr. Chairman, I am pleased to join you in welcoming our witnesses this morning. This year has been a huge challenge for our National Guard and Reserve forces and their response has been very impressive. An unprecedented number of Guard and Reserve are on active duty, serving in Iraq, Afghanistan and in the Global War on terrorism. Two Army reservists from my state of Mississippi have paid the ultimate price in Iraq. Today, as the Guard and Reserve serve in the air, on land and sea throughout the spectrum of warfare they can be assured we are committed to ensuring they have all the equipment and training necessary to succeed, and to return home safely as soon as possible.

I would like to thank the witnesses, and the men and women they represent, for their service and their leadership. I look forward to hearing their testimony.

Senator BURNS. Mr. Chairman, could I have my statement also admitted to the record? We would like to hear from our witnesses this morning. Also, congratulations on a great job done by our citizen soldiers. Thank you very much.

Senator STEVENS. Thank you.

[The statement follows:]

PREPARED STATEMENT OF SENATOR CONRAD BURNS

Thank you, Mr. Chairman. I would like to thank all of you for being here today to discuss the status of your respective National Guard and Reserve Components.

Our men and women of the Guard and Reserve have performed nobly since 9/11 and in their current operations in Iraq and Afghanistan—the Global War on Terrorism and Operation Iraqi Freedom. The Guard and Reserve have certainly seen an increased operations tempo over the past few years and have been working side-by-side with the Active Component regularly. I worry that their equipment may be behind the current technologies or may not be compatible. Older equipment is expensive to operate and maintain, due to lack of availability of spares and increased failure rates. We must make sure the outdated cold war policy of fielding the newest equipment to our active forces first, and cascading the older equipment to the Guard and Reserve forces has changed.

The Guard and Reserve force represents one that is extremely skilled and capable, responding to various missions across this nation and across the world. They show flexibility and rapid response as they continue to play very important roles in the protection of our homeland and warfighting operations overseas.

Ensuring that our Guard and Reserve Components have the proper training, equipment and facilities necessary to carry out their duties is essential. I pledge to do what I can to make sure that our Guardsmen and Reservists have the support they need to get the job done, then come home to their loved ones safely.

Again, thank you for coming this morning. I look forward to today's testimony today and the discussion that takes place.

Thank you.

Senator STEVENS. Senator Leahy.

STATEMENT OF SENATOR PATRICK J. LEAHY

Senator LEAHY. Thank you, Mr. Chairman. I want to welcome the witnesses here too, General Schultz and General Blum and General James. I have worked with all three of them. I know what a superb job they do. I think we have a great leadership team in place at the Guard Bureau.

But, Mr. Chairman, you and Senator Inouye have been a great help. Senator Bond mentioned the fact that we lead the National Guard Caucus. This has been a joy not only because of my personal friendship and admiration of Senator Bond, but because of the men and women we represent. I think all the members of the caucus would agree in thanking you for the leadership you have given. Your subcommittee, yours and Senator Inouye's subcommittee, was the engine for launching two major initiatives that will significantly strengthen the Guard, including the TRICARE program and a significant increase in equipment funding. It made the Guard a priority. You have marshalled help through critical appropriations. Your own staff is superb in these areas.

While we are mentioning folks from home, I would like to mention Sergeant Cara Krauss, who is sitting behind the Generals. The sergeant is a member of the Vermont National Guard. She just returned from Afghanistan. And, Sergeant, we are delighted to have you here.

I am very proud of her. I am very proud of all the members of the Vermont Guard who served with great distinction in Bosnia, Iraq, and Afghanistan, along with the Texas Guard and along with the Missouri Guard and all the others.

Not surprisingly, Mr. Chairman, she was telling me this morning that there are a couple big differences here. One, it is a lot easier walking around without having to wear all the body armor that is necessary in those places, and it is kind of nice to walk into stores and be back in the United States of America where things are a lot more familiar.

But we have three Guard members here, and of course, so many others throughout the place. If it was not for our Guard and Reserves, we could not be carrying out our missions around the world and we would not have the United States well represented. So thank you, and thank you and Senator Inouye again for all the support you have given.

Senator STEVENS. Thank you, Senator.

I have been out to Bethesda and to Walter Reed, and each time I was out there visiting with some of the military who have come back, I think you would be surprised to know each time I was asked, will you help me go back. That is a spirit that just grabs me. It just grabs me. It is really wonderful to be with those people.

Our co-chairman has arrived. Senator Inouye.

STATEMENT OF SENATOR DANIEL K. INOUYE

Senator INOUYE. If I may, I would like to join all of you in welcoming our Reserves and their chiefs and to thank and commend them and their men and women for their demonstration of citizenship and courage. We admire them, sir. Thank you very much.

May I ask that the rest of my statement be made part of the record?

Senator STEVENS. All of your statements will be printed in the record in full.

[The statement follows:]

PREPARED STATEMENT OF SENATOR DANIEL K. INOUYE

Mr. Chairman, I want to join you in welcoming our witnesses today, General Blum, General Schultz, and General James of the National Guard who will be followed by General Helmly, Admiral Cotton, General McCarthy, and General Sherrard of the Reserves.

Since this will be General Sherrard's last appearance before this Committee, I would like to take the opportunity to thank him for his dedicated service to the Air Force.

General, as chief, you commanded the Air Force Reserve during a time of unprecedented mobilizations, including Kosovo, Operation Noble Eagle, Operation Enduring Freedom, and Operation Iraqi Freedom.

During your tenure in the Reserves you have also had a distinguished career as a command pilot with more than 5,000 flying hours, commander of an Air Force Reserve group, two wings and two numbered air forces, and finally five years as chief of the Air Force Reserve.

General, we thank you for your loyal service.

Gentlemen, when I think of our Reserves, I think about your long history as citizen soldiers, the minutemen in the Revolutionary War, the militia that put down riots when our nation was in infancy, and our Guard that responds to natural disasters and emergencies, and ensured minority children were safely admitted into public schools. But things are different now. Today our Guard and Reserves make up 38 percent of our force in Operation Iraqi Freedom.

Since September 11th, 282,896 of our Guard and Reserve personnel have been called to active duty, and 25,151 have been called upon more than once.

I would like to commend everyone that has played a role in these operations. Time and time again, the extraordinary ability of our men and women in uniform and all the people that work to support them has been demonstrated.

But, these ongoing operations have strained our troops. Numerous concerns such as recruiting and retention, benefits, pay equity, and force structure requirements continue to be raised by our military forces in the field. This committee also remains concerned over the longstanding issues of procuring sufficient weapons and equipment to support our Guard and Reserve forces.

Gentlemen, the challenge you face is how to separate the identities of our Active and Reserve components, but ensuring equity in their treatment.

I hope you will be able to address some of these concerns that are so important to our Guardsmen and Reservists and their families today.

Mr. Chairman, I commend you for holding this hearing and look forward to hearing the testimony of our witnesses.

Senator STEVENS. All of your statements and the statements of the next panel will be printed in the record in full. I would appreciate it if you would summarize it. We would call on you first, General Blum.

General BLUM. Well, thank you, Mr. Chairman, and thank you, other members of the committee, for the opportunity to appear here this morning.

As was stated in some of your opening remarks, as we sit here this morning, there are 144,000-plus citizen soldiers and airmen deployed all around the world that are engaged in the global war on terrorism and defending our homeland both here at home and abroad.

Your National Guard has become critically essential to the defense, security and safety of our States and of our Nation. The National Guard has always been an operational reserve when it has answered the calls of the Governors and the President here at home. As a Federal reserve component of our Army and Air Force, we are transitioning from a strategic reserve that was once held in reserve for World War III to an operational force that is needed each and every day as our Army and our Air Force execute their missions around the world.

This is a resource, manpower, and organizationally intensive undertaking that will have to happen on a very compressed time line

if we are going to make it happen to meet the needs of our Nation. The National Guard and Reserve equipment account has been and will remain extraordinarily useful and vital in these initiatives.

I am proud to report to you that your National Guard has answered every call, met every requirement, and accomplished every mission it has been asked to do.

We are committed to transformation. We are transforming the Guard into a more joint and effective organization from top to bottom. We are improving readiness across the full spectrum of requirements from the full scale warfight overseas to the myriad homeland defense, support to homeland security operations and State traditional missions.

We are providing better predictability to our soldiers, to our airmen, to their families, and to our employers. We are meeting the needs of our elected leaders and our uniformed and State and Federal leaders, and we are meeting the mandate to seamlessly operate in a State and Federal intergovernmental, interagency, joint and multinational role. Your National Guard is focusing on the right force mix with the right kinds of units, with the right kinds of capabilities distributed to each State and territory.

We are transforming, along with the Army and the Air Force, and we are full partners in that transformation. It is now recognized that there are 18 divisions in the United States Army, 8 of which are assigned to the Army National Guard. There will be 82 brigade combat teams in the United States Army; 34 of these will be assigned to the Army National Guard. The National Guard will convert units overtaken by technology or strategic and tactical needs to those capabilities that our country needs for today and tomorrow. We will eliminate nonessential and under-resourced force structure because it does not provide us the capabilities we need today or that which we will need in the future. We will move to a more modular, plug-and-play capabilities-based force which is manned, equipped, trained, and resourced like its active component.

Partnering with our active components and the Reserves, we will create a true total force. Nationwide, we are rebalancing and leveraging the Army and Air National Guard formations. Transformation and modularity are both very good for the National Guard. It will enhance our readiness. It will increase our flexibility, agility and our ability to respond to today's reality and tomorrow's threats both here at home and abroad. We are taking on these transformations with the assistance and the full collaboration and inclusion of all stakeholders, the Governors, their Adjutants General, the services, the Department of Defense, and you, sir, and the United States Congress. Your National Guard is committed to doing what is right for America.

PREPARED STATEMENTS

I look forward to your questions. Thank you.

Senator STEVENS. Thank you very much, General.

[The statements follow:]

PREPARED STATEMENT OF LIEUTENANT GENERAL H STEVEN BLUM

NATIONAL GUARD 2005 POSTURE STATEMENT

PROTECTING AMERICA AT HOME AND ABROAD

IN MEMORIAM

A Dedication to the men and women of the Army and the Air National Guard who made the ultimate sacrifice while serving the United States of America.

OVERVIEW

At no time in our history has America depended more on its Citizen-Soldiers. The strength of our National Guard, as always, is derived from the caliber of our Soldiers and Airmen. When we think about what our nation asks these young Citizen-Soldiers and Airmen to do for their communities, their states, and their nation, and how magnificently they have performed here at home and abroad, our hearts are filled with pride.

Our priorities and our vision focuses on leveraging the talents, the abilities, the selfless commitment and the enthusiasm of these Soldiers and Airmen. As Chief of the National Guard Bureau, my mission is to ensure that they receive the latest training, complete and modern equipment, and an organizational and command structure worthy of their mission and their service.

The National Guard will remain, first and foremost, a provider of ready, trained, and equipped warfighting units to combatant commanders through the Army and the Air Force. Notably, the Guard has always been, throughout its history, a force that spanned the continuum of what we define today as "Homeland Security," "Homeland Defense," and "Warfighting." September 11, 2001 has refocused us on our fundamental responsibility to defend the homeland—the original mission of the militia—and revealed the present day efficacy that the founders understood so well—that a citizen-based militia is the best force to protect the citizenry from which it is drawn.

The Guard is uniquely suited, like no other entity in the Defense Department, or indeed in the entire nation, to carry out that mission. No other organization has our combination of size, skills, training and experience, dispersion across the nation, command and communications infrastructure, and the legal flexibility to support civil authorities at a moment's notice. In nearly 3,000 communities around the nation, the Guard stands ready today—as it has since Jamestown was settled nearly 400 years ago.

SUPPORT THE WAR FIGHT

Anytime, Anywhere

We, the Guard, must provide the kind of forces that America needs, when America needs them.

One of Secretary Rumsfeld's key mandates to the Services is to find ways to make the National Guard more ready and accessible in its federal warfighting role. Working in conjunction with the Army and Joint Forces Command, our goal is to dramatically improve the current mobilization and demobilization process. Under current guidelines, it can take several weeks to months to prepare an Army National Guard unit to mobilize and deploy—compared to the Air Guard model where units deploy in a matter of hours or days.

We need to study and adapt the Air Guard model where possible.

We are working with the Army to change its go-to-war protocols. It is no longer practical to follow cold war regimens of train, alert, mobilize, train, certify, deploy. We must move to train, alert, deploy. By updating home station facilities, taking advantage of new technologies, and funding units at a higher level of readiness, we hope to create a new 21st century minuteman. The Guard must and will continue to operate across the full spectrum of national security missions. But, new asymmetrical threats call for a different kind of warfighter and different mission systems. We need to be smarter, lighter, more agile, and more lethal.

The National Guard force structure does not stand alone unto itself, but rather represents a 38 percent slice of the total Army and approximately 34 percent of the total Air Force. As ongoing operations abroad reveal the need to rebalance the types

of units in the Army and the Air Force, the Guard will be a leader in embracing this change. Likewise, if studies indicate that Army divisions or Air Force wings are no longer needed, it is our view that we, like the active component and reserves, must change. We are working closely with the Army as we move to a balanced, modular force. Similarly, through Vanguard, we are working with the Air Force to meet the aerospace needs of the future.

HOMELAND DEFENSE

Here and Abroad for over 365 Years

We are this country's longest lasting, longest serving military organization; we predate our nation. Today, the National Guard is ready to write a brand new page in its long and heroic history, and get the mission accomplished.

When you call out the National Guard, you call out America's joint home team.

The Guard was there when it was needed, demonstrating the flexible accessibility inherent in the unique multi-status roles of the Guard. Our Homeland Defense and Security roles mandate that we be capable of seamlessly operating in federal and state intergovernmental and interagency roles. September 11th and its aftermath are illustrative of the Guard's new operating environment and its unique flexibility to respond to our nation's needs.

Within 24 hours of the attack on the World Trade Center, 8,500 New York Army and Air National Guardmembers were on the streets of New York in State Active Duty status. Within 72 hours of President Bush's request to the Governors, Guardmembers were assisting civil authorities in protecting U.S. airports (USC Title 32 status). As security of our skies became paramount after September 11th, the Air National Guard logged more than 30,000 incident free, fully armed combat air patrol missions (USC Title 10 status) over the United States.

Congress funded the formation of joint Weapons of Mass Destruction Civil Support Teams within the National Guard beginning in 1999. These units were designed to provide direct assistance to civilian emergency responders in the event of a chemical, biological, nuclear or radiological attack upon the homeland. Few in numbers and still in their operational infancy in 2001, nevertheless it was one of these units—New York's 2nd Civil Support Team—that became the first organized unit of any military service or component to arrive on Ground Zero on the morning of September 11th, sampling the air to ensure that no biological or chemical contaminants were present.

Since September 11th, National Guard Weapons of Mass Destruction Civil Support Teams operate daily in communities throughout the nation. They are in a unique position to provide emergency community response with full communications capability to the local, state and federal levels. Moreover, they are actively involved in planning and integration of Guard assets in local and state emergency plans.

Currently, we have 32 fully certified Weapons of Mass Destruction Civil Support Teams. Congress recognized the urgent need to expand that number, and 23 teams are scheduled to stand up in the next four years, beginning with 12 this year alone. The Guard has initiated several dramatic new programs that will further increase and improve our Homeland Defense capability, while at the same time enhancing our ability as warfighters.

We are actively pursuing the following initiatives:

—Organizing 12 Enhanced Response Force Packages. These forces will consist of a National Guard Civil Support Team, an enhanced division medical company with a 150-person per hour decontamination and treatment capability, an enhanced engineer company with specialized search and recovery equipment, and a task-trained combat unit capable of supporting law enforcement. These force packages will meet a previously identified Northern Command request for capabilities.

—Expanding National Guard involvement in Ground-based Mid-course Missile Defense, Cyber and Information Operations, Space, and Intelligence Operations for both the Army and Air Guard. One model we hope to emulate is the Guard's highly successful experience in manning Nike missile batteries in the 1960s and 1970s. At that time, traditional and full-time Guardsmen served together in units under State control, with self-activating orders that automatically brought them into a Federal status when the enemy attacked.

—Creating National Guard Reaction Forces through dual missioning and training of existing units. These units will be immediately available to State and Federal governments and for Homeland Security purposes. They are already forward deployed throughout the United States. The units will retain full war fight and homeland security capabilities. These forces will also meet a previously identified Northern Command request for forces requirement.

We are expanding our interagency and intergovernmental efforts and look forward to increased cooperation between the National Guard, the states and the Departments of Homeland Security and Defense. We are participating in exercises and planning at state and local levels, and we have shared our Automated Exercise and Assessment System with them. We are working with the national emergency responder and management associations as well.

The National Guard has a significant number of units capable of "dual-use"—that is to say, the combat skill sets in these units are directly applicable to peacetime domestic support operations. We have developed a force management model that will help us to ensure that sufficient appropriate forces, properly resourced are available to the Governors for State, Homeland Defense and support to Homeland Security missions.

We will leverage the units, training and resources in our existing war fight capabilities to expand and enhance the roles we can perform in homeland security. We will make smarter use of force structure and make minor modifications to mission essential task lists to geometrically increase capabilities. We will provide homeland defense capabilities in force packages, built from standardized warfighting units. By doing this in our role as a state military force, we will raise the threshold at which commitment of federal military resources to non-warfighting tasks becomes necessary.

TRANSFORMATION FOR THE 21ST CENTURY

Relevant, Reliable, Ready and Accessible

Transformation is a state of mind. It is about how we think, organize and approach the future. We are transforming our headquarters and our capabilities to shape our future. We reorganized the National Guard Bureau from three separate organizations into a joint organization effective July 1, 2003. We streamlined and flattened the organization, making it more efficient, capable, and aligned its staff functions and responsibilities with those of the Joint Staff and the combatant commanders.

We have undertaken aggressive employer and family programs. The three-legged stool of the Guard and Reserve—Service member, family, and employer—is only as sturdy as the weakest leg. We are talking with the nation's major employers and the states are aggressively doing the same with employers in their area. Our family program was the model on which the entire Department of Defense program was based, and we continue to work to address the information, emotional and support needs of our families. To that end, I have authorized a position in each state to specifically deal with employer support.

The State Adjutants General consolidated 162 State headquarters organizations into 54 doctrinally aligned Standing Joint Force Headquarters—creating, effective in October 2003, a single joint force headquarters in each state for all Army and Air Guard activities. This will ensure a rapid and coordinated response to any emergency, making the National Guard more versatile, relevant, and able to meet our national security challenges.

Our joint team will become seamless with the other five services—the Army, Navy, Air Force, Marine Corps, and the Coast Guard—and their reserve components as well. It will be capable of meeting active component requirements and serving as an integrator for active component and reserve component consequence management operations. Together with our sister services, we will fight and win this war on terrorism both here at home and abroad.

Readiness is a product of resources and training. We must focus our training on the myriad missions we will be asked to perform, and we—the National Guard Bureau—must obtain the resources necessary for the Soldiers and Airmen to accomplish the mission.

Some of the changes contemplated will require the cooperation of Congress in amending existing law.

Because of its increased relevance, the National Guard Bureau should be organized so that the senior officer of the Army and the Air National Guard of the United States on duty with the National Guard Bureau should become the Acting Chief if the office is vacant or if the Chief is absent or disabled. This change is necessary because of the elevation of the Directors of the Army and Air National Guard to Lieutenant General, without a concomitant promotion of the Vice Chief of the National Guard Bureau. Similarly, the Vice Chief of the National Guard Bureau should become the Director of the Joint Staff of the National Guard Bureau. This designation reflects the roles and functions of this individual within the National Guard Bureau's joint organization.

CONCLUSION

We are transforming the Guard in all domains—the way we fight, the way we do business, and the way we work with others—to provide the Guard America needs today and tomorrow.

Training must produce enhanced readiness, immediate accessibility, and individual and unit capability to conduct operations at home and abroad.

We have approached our transformation in an open, collegial manner, talking with all affected stakeholders including the Governors and working as a team—Adjutants General, National Guard Bureau, Army, Air Force, Office of the Secretary of Defense, the Joint Staff and others—to do what is right for America.

As we look forward to the new fiscal year, the National Guard is enthusiastically engaged in planning, programming, and executing the extraordinary changes that are ahead. We are evolving in ways that will allow us to accomplish our state and federal missions more efficiently than ever before, as we design mechanisms to seamlessly operate in the Defense Department, interagency, and intergovernmental environments.

The National Guard will continue to defend our nation, both at home and abroad, in both its state and federal capacities, as it has for 367 years. It will continue to serve as the reserve component without peer in the world. This is our birthright—it is the legacy of the Minuteman.

PREPARED STATEMENT OF LIEUTENANT GENERAL ROGER C. SCHULTZ

OVERVIEW

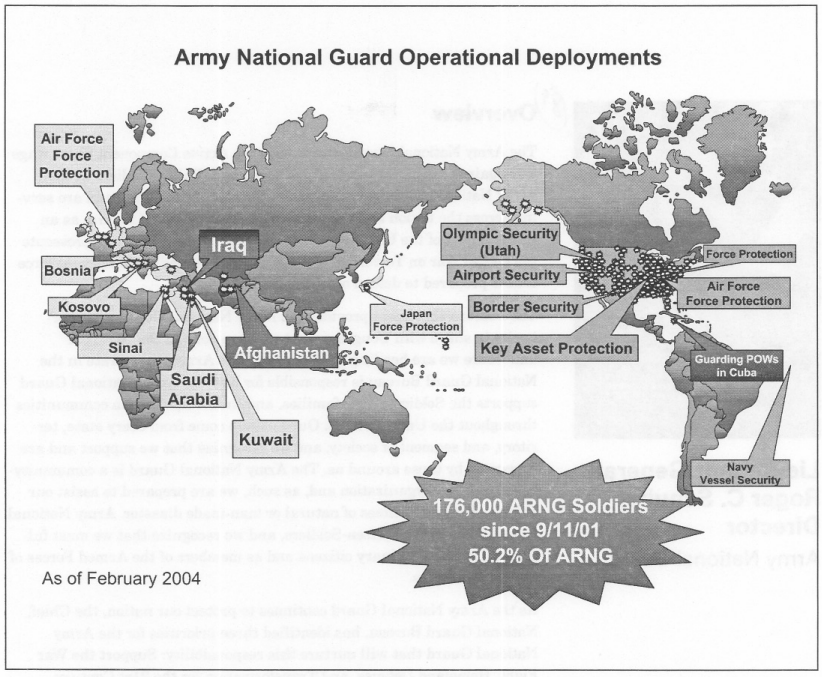
The Army National Guard stands with the Active Component as we wage war against the purveyors of global terrorism. Today, Soldiers in the Army National Guard have answered the call of the nation and are serving across the nation and the world. The Army National Guard, as an integral part of the U.S. Army, is transforming itself to better prosecute the Global War on Terrorism while remaining a ready and relevant force that is prepared to defend our homeland.

The Posture Statement provides the Army National Guard an opportunity to share with Congress what we have done in the past year and where we are heading in the future. The Army Directorate in the National Guard Bureau is responsible for how the Army National Guard supports the Soldiers, their families, and their employers in communities throughout the United States. Our Soldiers come from every state, territory, and segment of society, and we recognize that we support and are supported by those around us. The Army National Guard is a community-based military organization and, as such, we are prepared to assist our cities and towns in times of natural or man-made disaster. Army National Guard Soldiers are Citizen-Soldiers, and we recognize that we must fulfill dual roles as ordinary citizens and as members of the Armed Forces of the United States.

As the Army National Guard continues to protect our nation, the Chief, National Guard Bureau, has identified three priorities for the Army National Guard that will nurture this responsibility: Support the War Fight, Homeland Defense, and Transformation for the 21st Century. As our enemies seek ways to wage their war of terrorism in the United States and around the world, we are and must remain ready. The Army National Guard has proven itself capable of securing our borders while simultaneously carrying out a variety of missions across the globe. Our goals are to maximize our ability to support our Soldiers, protect our nation, and support the warfighters by providing a trained and ready force.

It cannot be stressed enough that the Army National Guard has an increased and more vital role in the U.S. Army than ever before. The U.S. Army is at the forefront of the conflict in Afghanistan and Iraq. As Reserve Components of the Army continue to deploy at increasing rates, the Army National Guard joins the Army in its objectives to remain ready and relevant in the midst of a war where our enemy is elusive. We are transforming ourselves into a more flexible, responsive, and capabilities-based force that is able to seamlessly integrate into the larger Army. As the Army transforms itself from the Current Force to the Future Force, so will the Army National Guard.

The Army National Guard is ready for every challenge both here at home and abroad. We are not and cannot be complacent. The support we receive from our citizens, families, employers, and legislatures is invaluable. Our Constitution charges us to defend America, and we will do this with the same dedication and steadfast purpose as we have done for nearly 400 years.



SUPPORT THE WAR FIGHT

The Guard Overseas

Not since World War II have so many Soldiers been activated for wars. The Army National Guard demonstrated its responsiveness by providing ready units in support of numerous overseas missions throughout 2003. These missions ranged from combat operations to Post-Hostility and Stability Operations. At the close of the year, 75,000 National Guardsmen were on active duty serving overseas. The year began with our Soldiers fighting in Afghanistan and ended with Soldiers from the Vermont and Oklahoma National Guard training the Afghanistan National Army. There are just over 4,000 Soldiers in Afghanistan today. The war in Iraq required the activation of 69,380 Soldiers and there are just under 60,000 serving there today. The war in Iraq and in Afghanistan exacted a toll on our most precious resource, the Soldier. Understandably and regrettably there have been 60 Soldiers who have lost their lives fighting these two campaigns. The war in Iraq saw the activation of brigade size units, Attack Aviation Battalions, Combat Engineers, and Military Police. The Army has plans to schedule several more brigades and potentially a Division Headquarters for future rotations. Most Soldiers that were activated for the war served an average of 18 months, with 12 months of duty in Iraq. Related to the two overseas wars has been a demand on our Military Police units to guard the enemy Prisoners of War in Cuba. In addition to the direct role in the overseas wars, the National Guard remains the Army's primary force conducting operations in Kosovo, Bosnia, and the Sinai. Just under 6,000 National Guardsmen are there today. What were once active duty missions are now principally missions of the Guard.

There are two other noteworthy events for the Guard's overseas duty. The Army National Guard was given the mission to protect ships in transit to the Persian Gulf, and we also provided 9,000 Soldiers to the Air Force to protect their bases abroad and at home. These unplanned missions simply demonstrate the accessibility, reliability, and capability of the National Guard. Our overseas presence today is supporting missions on five continents, and the future demands a level of commitment similar to previous years. Not since World War II has our call to duty been so great. It is important to note that our total commitment since 9/11 has been a

call to federal duty for 175,734 Soldiers. That represents just over 50 percent of our force of 350,000.

Readiness of the Force

Well before the attacks of September 11th, Army National Guard units were being mobilized more frequently. The Total Force Policy in the Army worked. During the Cold War period of our Army, the expectation of readiness for the Reserve Components was to be "generally ready for war." There were plans with TPFDDs and windows of time for expected deployment. The plan was to move to an active duty installation and then provide units with additional equipment and extra training. Since 9/11, that level of readiness and window of time have changed. Today our units are required to deploy at the highest level of readiness, and the time from notification to deployment is sometimes a matter of hours. In 2003, our units did extensive exchanging of Soldiers and equipment as they prepared for war in Iraq. We demonstrated flexibility, but placed unnecessary hardships on our Soldiers in the process. Soldiers went to war with equipment they had not previously trained upon. Thousands went to war with units other than their own. This method of exchanging resources after a unit mobilizes is not conducive to long-term success. Units must be manned, trained, and equipped before they get the call to go to war. Train—Mobilize—Deploy! The Army National Guard's level of readiness in the future should be C1, the highest level. The Army National Guard must modernize when the Army modernizes. We must raise the Full-Time Manning levels to 100 percent of Requirements. Our failure to resource Army National Guard units for any mission will place undue hardship on Soldiers as they go to war.

Medical and Dental Readiness

The Army and the Army National Guard have a vested interest in the care of Soldiers. The Army requires physical fitness prior to deploying to a war. Today's deployment timelines are shorter, and there have been some delays in our ability to respond to war because of the medical readiness of our Soldiers. Most, but not all, Soldiers have medical and dental plans. There are limits on the Army's ability to fix medical shortcomings after the Soldier is mobilized for war. We have experienced medical backlogs at some of the Army's installations responsible for providing medical treatment.

The future of medical readiness rests in providing complete medical evaluations prior to being alerted for war. We envision that each of our State's Joint Force Headquarters provide support in the initial care for Soldiers and refer Soldiers for medical support beyond their capacity.

The National Guard plans to provide periodic physicals to its Soldiers. This will enable our units to transition faster from a state of peace to war. We also envision leveraging the medical capabilities of our communities to offset the shortages in military medical providers. Medical readiness and health care for our Soldiers are key variants to our ability to train, mobilize, and deploy in the fashion of a Minuteman.

Training Soldiers and Growing Leaders

Supporting the Warfighter will be best accomplished by training the force with an integrated training strategy for individuals, leaders, and units through live, virtual, and constructive training.

Throughout 2003, the Army National Guard prepared units and Soldiers for wars and responded to the nation's call for contingency operations. Our units trained at the Army National Guard Training Centers and the Army's Combat Training Centers. They participated in joint exercises and conducted training deployments overseas.

The key to training Brigades is to have them participate in the Brigade Command and Battle Staff training. Five brigades participated in this training in 2003. Seven of the eight Army National Guard divisions participated in the Battle Command Training Program at the Joint Readiness Training Center at Fort Polk in Louisiana in 2003.

The Army National Guard is committed to producing the best Soldiers. An excellent training venue is the Army National Guard training centers. These centers train Soldiers, simulate real-world conditions, and provide training enablers for the commanders.

Another way the Army National Guard achieves training excellence is through Distributed Learning. The Army National Guard's emphasis on Distributed Learning reduces the time Soldiers are away from their home stations, eliminates excess travel time and costs, and takes less time than training in a formal school setting. The goal of this program is to maximize training time by providing more local access to training and education at any time and at any location.

The Army National Guard's limited training time, training dollars, and sometimes access to training ranges has generated an increased reliance on low-cost, small-footprint training technologies. We have invested in a virtual training infrastructure to meet or exceed the Army's training requirements. As more missions such as homeland defense and weapons of mass destruction are required of the National Guard, the ability of our forces to respond requires that we are ready at all times. The following new virtual technologies are tools critical to achieving these readiness objectives:

—*Advanced Bradley Full Crew Interactive Skills Trainer*.—The Bradley Fighting Vehicle, an armored personnel carrier, is the primary weapon system of the U.S. Army Mechanized Infantry, as well as a critical system for the cavalry. The current force structure plans have the Army National Guard providing more than half of the U.S. military's Bradley Fighting Vehicle force. The Army Infantry School approved the Advanced Bradley Full Crew Interactive Skills Trainer as a precision gunnery trainer. This is a low-cost, deployable training system that attaches directly to the Bradley and therefore does not require a simulated vehicle mockup, thereby better preparing the crew for live fire gunnery.

—*Abrams Full Crew Interactive Skills Trainer*.—The Army National Guard provides 54 percent of the armor force in the U.S. military. This equates to nearly 2,500 Abrams tanks with the vast majority being the M1A1 configuration. The Abrams Full Crew Interactive Skills Trainer is approved by U.S. Army Armor School as a precision gunnery trainer. This, too, is a low-cost, deployable training system that attaches directly to the Abrams tank and therefore does not require a simulated vehicle mockup, thereby better preparing the crew for live fire gunnery.

—*Simulations Network Rehost*.—In the mid-1980s, the Defense Advanced Research Projects Agency developed a new concept in simulation training called the Network. The goal of this trainer is to expose mounted combat forces to mock battles in an effort to develop tactical maneuver skills and improve situation awareness of commanders. This program provides a highly cost-effective means of providing basic tactical platoon-level training capability to a highly dispersed force. The Simulations Network units are platoon sets for the Abrams Main Battle Tank and the Bradley Fighting Vehicles. The National Guard's force structure accounts for approximately 50 percent of these mounted combat forces.

—*Table Top Trainers (M1A1 and M2)*.—The Table Top Trainer program is the linchpin of the National Guard's virtual training strategy. The ammunition and operational tempo cost to train this fleet exceeds $1 billion annually. The virtual training systems have been introduced to offset costs that were even higher in previous years. A single low-fidelity Table Top Trainer can be reconfigured to supply 60 to 70 percent of the associated skills training for Abrams Tanks, Bradley Fighting Vehicles, and Stryker Light Armor Vehicles. The remaining skills tasks can be trained in the available 25 percent training time in the high-fidelity trainers or through live fire events.

Combat Training Centers and National Training Center

In 2003, the Army National Guard sent over 28,000 Soldiers to participate in training at the Army's two Combat Training Centers. This training program cost $23 million but produced the most significant increase to training readiness for those units and Soldiers.

North Carolina's 30th Brigade formed the core of a 34-unit, 15-state task force comprising the 5,545 Army National Guard Soldiers who deployed to the National Training Center at Fort Irwin, California, in May and June 2003. This training rotation was the culminating exercise in an intensive four-year train-up. The North Carolina Joint Force Headquarters formed Task Force Tar Heel that served as the division headquarters throughout the train-up and at the National Training Center. The 30th and North Carolina's Joint Force Headquarters executed wartime mobilization tasks by deploying the entire task force's equipment and personnel from facilities across the country to Fort Irwin's desert environment.

During 2003, additional Engineer, Field Artillery, and Infantry units representing 3,732 Soldiers deployed to the National Training Center in support of Active Component rotations. These units served both as friendly and opposing force units integrated side by side with their active military counterparts. An additional 1,123 Soldiers assigned to Direct Support and General Support Maintenance Companies were sent to Fort Irwin to supplement maintenance and reconstitution operations.

Joint Readiness Training Center

In 2003, the majority of Florida's 53rd Brigade was mobilized and deployed to Iraq. In preparation for this mission, they underwent training at the Joint Readiness Training Center. While there, they supported the training of the 10th Mountain Division, 7th Special Forces Group, and the 3rd Brigade (Stryker), 2nd Infantry Division.

Combined Arms Center

Through the Army National Guard's Battle Command Training Center, the U.S. Army's Combined Arms Center at Fort Leavenworth, Kansas, supported the 29th Infantry Division and 49th Armored Division during their Battle Command Training Program rotation in 2003. The training center also conducted twelve Brigade Command and Battle Staff Training Program seminars. Over 15,500 Army National Guard Soldiers participated in these training events.

Force-on-Force Training

The Army National Guard Force-on-Force Training Program supports the readiness of the National Guard's ground combat units. This program simulates battles that are fought using laser-targeting systems to replicate live ammunition. Some 2,080 Soldiers from Army National Guard divisions participated in Force-on-Force events in 2003.

In 2003, Army National Guard brigades participated in Battle Command Training Program staff exchanges, train-up exercises at the Combat Training Centers, and gunnery and divisional artillery training. A total of 30,034 Army National Guard Soldiers, 8 percent of the Army National Guard's endstrength, conducted training at or in association with the Army's training facilities at a cost of approximately $26 million. The payoff of this relationship is obvious. Three of these brigades, the 30th, the 39th, and the 81st were directed to prepare for war in Iraq. They will deploy there early in 2004.

Recruiting and Retention

The Army National Guard ended 2003 with 1,091 Soldiers above its endstrength goal of 350,000, a result of surpassing retention goals and retaining quality Soldiers. Despite the unprecedented challenges at home and abroad, the Army National Guard validated the three-tenet Strength Maintenance philosophy of recruiting, attrition management, and retention. The "Oath to Expiration of Term of Service" philosophy has helped to create a partnership with the units by building greater trust and cooperation between the recruiting force, the full-time support force, and unit leadership. The Army National Guard has developed numerous tools to ensure continued success:

—Highly successful advertising campaigns and recruiting initiatives that integrate the recruiting and retention force with traditional unit members.

—Dynamic recruiting and retention programs to highlight the relevance, features, and benefits of Army National Guard service to current and potential Soldiers.

—Soldier and family member feedback programs that assess unit environments and determine Soldier motivations for joining and remaining in the Army National Guard.

—Post-mobilization surveys and retention initiatives to facilitate the re-integration of the unit and its members following deployment.

—Post-mobilization "Freedom Salute" campaign to recognize Soldier, family member, and employer support of extensive overseas deployments.

—Development of Recruit Sustainment Programs to better prepare new Soldiers for initial active duty training and promote unit strength readiness.

—Attrition management/retention programs to educate leaders on caring for and mentoring Soldiers in the high operations tempo environment of the Global War on Terror.

—Resource allocation that optimizes the effectiveness of the Strength Maintenance Philosophy and the teaming of the Recruiting and Retention Force and traditional Army National Guard Soldiers.

SELECTED RESERVE INCENTIVES PROGRAM

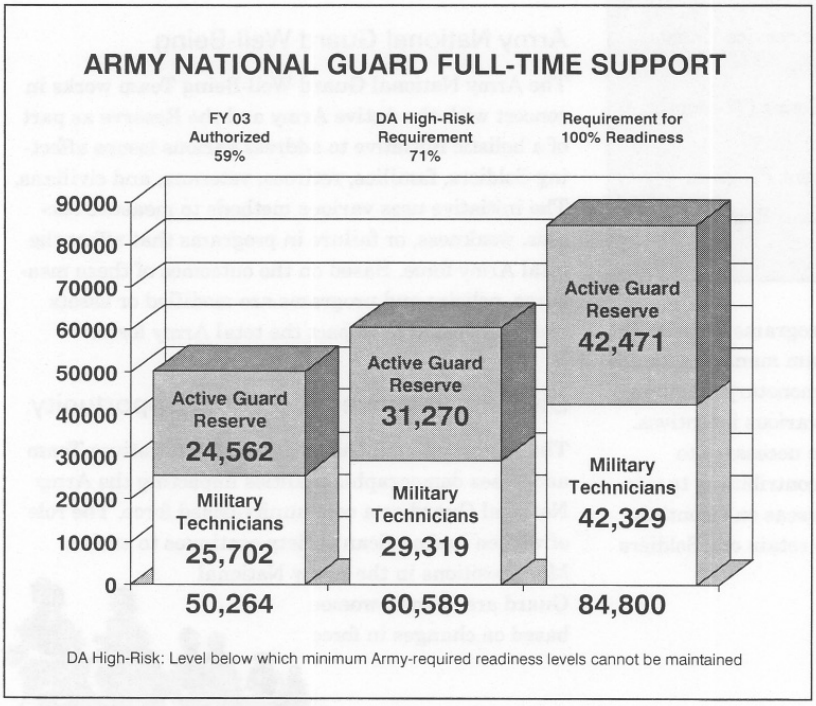
Up to $8,000 Enlistment Bonus for Non-Prior Service enlistees
—$3,000 for critical skill
—$3,000 for non-prior service bonus
—$2,000 for Off-Peak ship to training
$3,000 Civilian Acquired Skills Program for NPS enlistees
$2,500 for a first 3-Year Re-enlistment/Extension Bonus
$2,000 for a second 3-Year Re-enlistment/Extension Bonus
$2,500 for a first 3-year prior service Enlistment Bonus
$2,000 for a second 3-year prior service Enlistment Bonus
$50 per month for Affiliation Bonus (72-month maximum)
$10,000 Student Loan Repayment Program
$50,000 Health Professional Loan Repayment Program

Army National Guard Incentive Programs are currently undergoing review by program managers for potential adjustments to both the monetary amounts and the payment schedules of the various incentives. We believe these improvements are necessary to compensate our Soldiers, who are contributing to our nation's defense and deploying overseas on a continuous rotational basis. Our goal is to retain our Soldiers when they return.

Army National Guard Full-Time Support

Dedicated men and women who provide Full-Time Support to Army National Guard Soldiers are a critical part of the Army National Guard. They enhance readiness by assisting Unit Commanders in managing day-to-day requirements. In recent years, the Army National Guard has begun to expand its Full-Time Support force in order to better serve its Soldiers and the units to which they are assigned. To meet readiness requirements, the Chief of the National Guard Bureau, in concert with the state Adjutants General, has placed increasing Full-Time Support authorizations as one of the top priorities for the Army National Guard.

The National Guard Bureau will place new Full-Time Support manpower into our units or into positions that directly impact unit readiness. An example is the Military Technicians that will be directly placed into organizational maintenance shops. Junior enlisted grades will increase through fiscal year 2012 and will be applied to the unit level to accomplish many of the missions where it is not uncommon to find single Active Guard Reserve Soldiers working today.



Army National Guard Well-Being

The Army National Guard Well-Being Team works in concert with the Active Army and the Reserve as part of a holistic initiative to address various issues affecting Soldiers, families, retirees, veterans, and civilians. The initiative uses various methods to measure success, weakness, or failure in programs that affect the total Army force. Based on the outcomes of these measures, policies and programs are modified or assets are re-allocated to impact the total Army force.

Diversity Initiatives and Equal Opportunity

The Army National Guard Diversity Initiatives Team addresses demographic realities impacting the Army National Guard as a community-based force. The role of women in American society continues to evolve. More positions in the Army National Guard are open to women based on changes in force structure. With the rapid advance in technology and changes in society, diversity also hinges on generational, technical, and cultural differences.

The Army National Guard Equal Opportunity Team proactively addresses team development and cultural exchanges to foster more productive units and Soldiers. Fundamental to the mission of the Army National Guard, the Equal Opportunity Office addresses issues that arise relating to race, color, gender, sexual harassment, national origin, and religion. The Army National Guard is steadfast in maintaining zero tolerance for all forms and types of discrimination. The Army National Guard will guarantee that all are treated with dignity and respect.

HOMELAND DEFENSE

Domestic Operations

In 2003, the Army National Guard provided 419,463 mandays in 42 states, two territories, and the District of Columbia to state-level emergency support missions. The year began with Tropical Storm Lilli along the Gulf Coast that required 9,835 mandays for cleanup and security. Super-typhoon Pongsona hit Guam and required 18,822 mandays to provide traffic control, water, debris removal, and security.

The Army National Guard provided 318,131 mandays to Key Asset Protection, the most significant category of Emergency Support Missions. The Space Shuttle Columbia disaster demonstrated how quickly the National Guard responds from a "standing start." On the day of the disaster, thousands of Army National Guard Soldiers from five states were on duty, recovering and safeguarding debris. This mission required 18,816 mandays of support.

The Army National Guard also provided support to special events, including assistance to law enforcement for the Super Bowl and the Kentucky Derby. Support to governors in response to Hurricane Isabel ended a busy year.

The Army National Guard routinely performs training missions that simultaneously support and assist our communities. The Innovative Readiness Training Program required 205,000 mandays of support in 2003. Programs included improving schools and parks, building and repairing roads, administering immunizations, and providing medical care to under-served areas.

The California Army National Guard is leading an effort to construct access roads to the United States-Mexican border to assist the Border Patrol in dealing with the growing tide of illegal immigrants and narcotics. In Alaska, the Guard is leading a five-year project that will result in a 15-mile road connecting two villages on Annette Island, a trip that currently can only be made by boat. The Army National Guard in Maine, Colorado, Arizona, Illinois, North Carolina, Texas, and Alaska conducted medical training exercises to provide inoculations, physician contacts, dental care, and optometrist services to under-served populations. Innovative Readiness Training projects benefit both the Army National Guard and the communities.

Missile Defense

Defense against ballistic missile attack is a key component of the National Security Strategy in providing for Homeland Security. The National Guard will play a major role in this mission as the force provider for the Ground-based Midcourse Defense system in the initial defensive operations/defensive operations phase per National Security Presidential Directive 23, dated December 16, 2002.

The National Guard received an increase of 100 in Active Guard and Reserve authorizations in the fiscal year 2004 President's Budget request to support this mission. Ground-based Midcourse Missile Defense is a critical element of the Administration's National Security Strategy and defense of the homeland. This program is continually evolving and undergoing refinement.

Continuity of Operations

The National Guard's Continuity of Operations Program was conceptualized in 1988 and took on added importance after September 11, 2001. In support of homeland defense, the Guard is utilizing this program as a means to ensure continuous command and control in case of emergency.

Executive orders, Department of Defense directives, Chairman of the Joint Chiefs of Staff directives, and Army Regulations require a Continuity of Operations Program. This protects key leaders; allows for the continuity of essential missions; provides for relocation sites; protects vital records and operating files; and ensures survivability, recoverability, and the ability to reconstitute. The National Guard has taken a three-level approach to achieving this end:

—The first level is the Headquarters Department of the Army Continuity of Operations Program that provides the active component with the Army National Guard leadership to support the War fight.

—The second level is the National Guard Continuity of Operations Program that allows both the Army National Guard and the Air National Guard to continue supporting the states and territories in the event of a national disaster.

—Finally, the National Guard is also providing the platform for the 54 states, territories, and the District of Columbia to develop their own Continuity of Operations Program initiatives to support both homeland defense and the War fight at the state and local level.

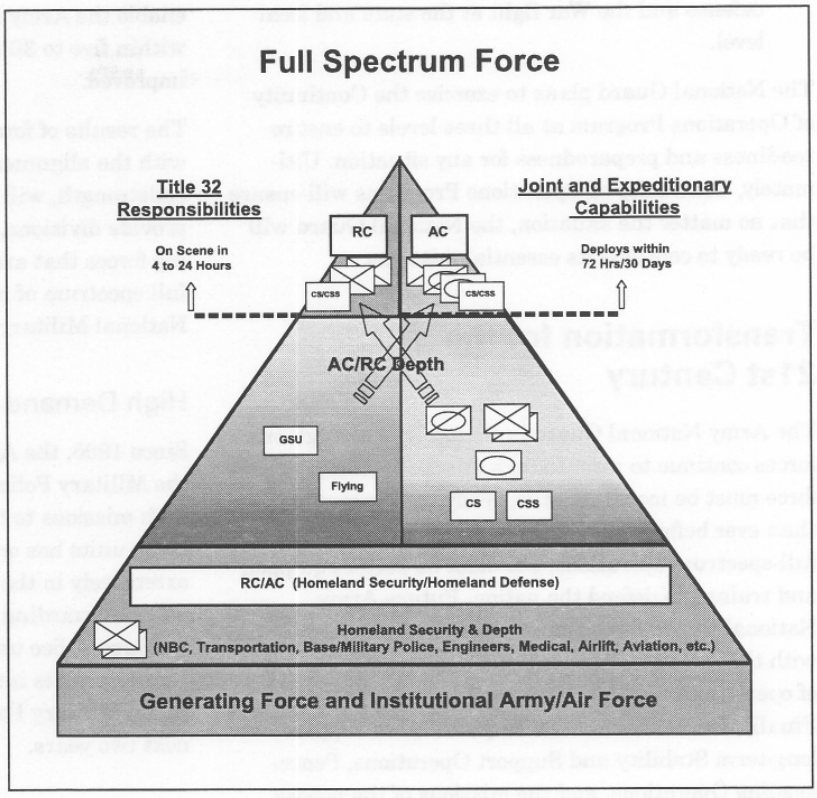
The National Guard plans to exercise the Continuity of Operations Program at all three levels to ensure readiness and preparedness for any situation. Ultimately, Continuity of Operations Programs will ensure that no matter the situation, the National Guard will be ready to continue its essential missions.

TRANSFORMATION FOR THE 21ST CENTURY

The Army National Guard is changing. Although our forces continue to meet today's missions, tomorrow's force must be more versatile, ready, and accessible than ever before. They must continue to be capable of full-spectrum operations, but must be better equipped and trained to defend the nation. Future Army National Guard forces must be more interoperable with the Active Component and must be fully ca-

pable of operating in a joint or interagency environment. Finally, Guard forces must be postured to support long-term Stability and Support Operations, Peacekeeping Operations, and the missions of the newest Combatant Command, NORTHCOM.

In order to achieve these objectives, the Army National Guard must attract and retain quality Soldiers. We must train and equip them to accomplish the missions of tomorrow.



Force Balance and Restructure

The Department of the Army is revising priorities to better support the National Military Strategy. Under the direction of the Secretary of Defense, the Army is exchanging some formations from the Active Component and the National Guard. These realignments will better align the Army National Guard and the Army in supporting the warfighting and Homeland Defense missions.

Another significant aspect of this force balance analysis is an initiative by the Director of the Army National Guard to reduce the Army National Guard's force structure with its congressionally authorized personnel endstrength. This rebalancing effort will enable the Army National Guard to deploy units within five to 30 days because their readiness will be improved.

The results of force balance adjustments, coupled with the alignment of force structure and personnel endstrength, will allow the Army National Guard to provide divisions, brigade combat teams, and supporting forces that are ready and capable of supporting the full spectrum of military operations required by the National Military Strategy.

High Demand Units

Since 1995, the Army has placed a high demand on the Military Police in the National Guard. Beginning with missions to the Balkans, the rate of work for these units has only increased. Today they are used extensively in the Global War on Terrorism, principally in guarding prisoners. To reduce the stress on Military Police

units, we have started to convert Field Artillery units into Military Police. Eighteen additional Military Police units will be organized in the next two years.

Modular Units

The Chief of Staff, Army, has directed a comprehensive reevaluation of the Army's corps, divisions, and brigade structures with the intent of making these units more expeditionary through modular design. Modular units will allow for a "plug and play" capability, which will enable the Army to provide the flexible mix of capabilities needed by the warfighter. The Army National Guard will adapt existing force structure to the new design envisioned by the leadership of the Army. Over the next few years, we will reconfigure existing brigades, including the 15 enhanced Separate Brigades, to the new Brigade Combat Team design. We will have 34 Brigade Combat Teams and 8 Divisional Headquarters that will be designed in an infantry and armored mix identical to the Active Component's. This modular capability will provide a new level of flexibility to our organizations as they support the full spectrum of military operations. Distribution of new capabilities will be equitable across the states.

FISCAL YEAR 2005 ARMY NATIONAL GUARD EQUIPMENT MODERNIZATION SHORTFALL LIST

High-Mobility Multi-Purpose Wheeled Vehicles (HMMWV)
Single-Channel Ground and Airborne Radios (SINC–GARS)
Night Vision devices
Black Hawk utility helicopter
Heavy Expanded Mobility Tactical Trucks (HEMTT)
Small Arms
Family of Medium Tactical Vehicles (FMTV)
Javelin Anti-Armor Missiles
Thermal Crew-Served Weapon Sight
Movement Tracking System
Enhanced Position Location Reporting System (EPLRS)
Warlock Electronic Jamming Device
Tactical Unmanned Air Vehicle (TUAV)
M–22 Automatic Chemical Detector Alarm
Prophet Signal Intelligence System
Line Haul Tractor (M915A3)
22½-ton Trailer (M871A3)
Dump Truck (M917A1)
34-ton Trailer (M872A4)
Tactical Quiet Generators
Secure Mobile Anti-Jam Reliable Tactical Terminal (SMART-T)
Sentinel air defense radar system
Howitzer (LW 155)
Bradley Infantry Fighting Vehicle (M2A2)
Hercules (M88A2 [heavy tank recovery vehicle])

Force Modernization

The Army's highest priority remains maintaining warfighting readiness. In support of this priority, the Army National Guard is pursuing a modernization strategy that will provide the nation with compatible, interoperable, and strategically relevant forces well into the future.

In the near term, we will ensure our Soldiers are equipped with essential force protection items such as the latest body armor with Small Arms Protective Insert plates for the outer tactical vests, the latest Night Vision Devices, and small arms. To enhance near-term readiness, the Army National Guard will focus on Army procurement of the Black Hawk utility helicopter, High-Mobility Multi-Purpose Wheeled Vehicles, Single-Channel Ground and Airborne Radios, Family of Medium Tactical Vehicles, and M–22 Automatic Chemical Detector Alarm.

In the midterm, the Army National Guard will ensure the Army earmarks sufficient funding to refurbish or recapitalize its current forces to ensure fleets viability over the next several decades and for future readiness and relevance. The Army National Guard will focus on Current Force systems to include our primary aircraft, the Black Hawk, CH–47 Chinook, and the Apache; the M1A1 Abrams Main Battle Tank; M2A2 Bradley Fighting Vehicle; M109A6 Paladin Howitzer; Heavy Expanded

Mobility Tactical Trucks; and the 5-ton truck fleet. The Army National Guard will continue working with the Army to ensure program managers bring systems cascaded to the Army National Guard's Divisional and Corps troop units up to the required standard.

Army National Guard Aviation Modernization & Transformation

Throughout 2003, the focus of the Army National Guard aviation modernization and transformation efforts was directed toward completion of sweeping changes to unit organizational designs. Accompanying these widespread conversions to the Army Aviation Transformation designs was the continued turn-in of obsolete UH–1H/V "Huey" (Iroquois) and OH–58A/C Kiowa series aircraft, and the fielding of the additional modern UH–60A/L Black Hawk and AH–64A/D Apache series aircraft. Unfortunately, while the Army National Guard net inventory of modernized aircraft increased by 8 Black Hawk and 17 Apache aircraft during fiscal year 2003, the resulting Army National Guard levels for these aircraft did not meet Army goals. In addition, most of the supporting or corrective actions scheduled and funded for 2003, such as increased quantities of special tools and spare parts, were effectively negated by the increased requirements for contingency operations in Afghanistan and Iraq. Based upon current projections, it is uncertain whether the originally scheduled fiscal year 2002 figures for the Black Hawk and Apache inventory in the Army National Guard will be reached by end of fiscal year 2004. Army fixed-wing aviation modernization efforts are underway to replace the Army National Guard's C–23 Sherpa cargo aircraft with a more robust and capable airplane.

Information Operations

Army National Guard Information Operations Field Support Teams assist the Brigade, Division, Corps, Joint Task Force, and Combatant Commanders in integrating full-spectrum offensive and defensive information operations, planning, execution, and assessment into their operations. Additionally, Army National Guard full-spectrum Information Operation Vulnerability Assessment Teams, Computer Emergency Response Teams, and Joint Web Risk Assessment Cells contribute to national and homeland security through the protection of information infrastructure. The teams deploy domestically and globally to provide their specialized service to the Combatant Commanders.

In fiscal year 2003, the Army National Guard's Information Operations program continued to develop technically and tactically focused units that supported the warfighting commanders and provided protection of the nation's critical information infrastructure across the operational continuum. During the same period, the Army National Guard Information Operations section for the Pennsylvania Guard's 28th Infantry Division and Minnesota's 34th Infantry Division deployed in support of peacekeeping operations in Bosnia and Kosovo. Seven Information Operations Field Support Teams and one Computer Emergency Response Team were mobilized in support of Operation Iraqi Freedom. The Army National Guard Information Operations program also provided operational support to all major commands and several Army divisions.

This program has trained over 2,400 Reserve and Active Component Soldiers since fiscal year 2000. The program is scheduled to expand its training capability, doubling its capacity in fiscal year 2004.

Logistics and Equipment

The Army National Guard is deployed all over the world in support of the Global War on Terrorism and operations taking place in Afghanistan and Iraq. Army National Guard personnel, in many cases, train on and use older generation equipment to help support these critical operations. This equipment is far behind the current technologies, making much of what is used by the National Guard incompatible with current Army equipment. And in many cases this older equipment is more expensive to operate and maintain. An additional challenge is that operational costs of older equipment are higher than the new versions due to increased failure rates and decreased availability of spare parts.

The Army National Guard has faced modernization challenges in previous years for such systems as the High-Mobility Multi-Purpose Wheeled Vehicles, Single-Channel Ground and Airborne Radios, chemical and biological detection equipment, and Night Vision Devices. Many of these challenges have had an adverse impact on units preparing for overseas deployment.

The Army National Guard is making significant progress in modernizing its heavy force and bridging its equipment to the digital force. Emerging technologies will dramatically lower the logistics impacts of these systems and substantially reduce repair times, increase operational readiness rates, and eliminate obsolete and unsustainable test equipment. This will allow the Army National Guard to operate

its heavy equipment at a higher operational rate while reducing the overall costs for these systems.

EQUIPMENT MODERNIZATION CHALLENGES IN THE ARMY NATIONAL GUARD

High-Mobility Multi-Purpose Wheeled Vehicles
Single-Channel Ground and Airborne Radios
Chemical and biological detection equipment
Night Vision Devices

The Army National Guard currently has a significant portion of the Army's maintenance infrastructure. This Cold War vestige is too expensive and redundant. Under the Army's new maintenance strategy, the Guard and other Army elements are transforming their maintenance capabilities from a four-level system to a two-level system. This two-level maintenance system will cut redundancy in the system and allow Army maintenance personnel to more efficiently diagnose and maintain equipment at the forward level.

Another focus area for the Army National Guard is the agility and flexibility provided as a full partner in the Army Acquisition Community. Whether it is grooming expert contingency contracting personnel, facilitating Rapid Fielding activities, and/or participating in major Army Program/Project Executive Offices, Army National Guard Acquisition professionals are engaged in depth. The Army National Guard is aggressively analyzing the task organization of Contingency Support Contracting Teams. The members of these teams, task-organized from the existing Modified Table of Organization and Equipment structure, are identified and trained in advance to support specific deployment requirements, giving deploying commanders the flexibility necessary to accomplish their missions without relying on supporting unit assistance.

Environmental Programs

Training the best force in the world requires the world's best training areas. The Army National Guard's environmental programs support the war-fighter and homeland defense by sustaining healthy training lands. By reducing training restrictions, the Army National Guard is able to be a good steward of the land it uses, while operating top training facilities. The first Army Compatible Use Buffer under Title 10, U.S. Code 2684A was recently implemented at Camp Blanding, Florida. Within the designated buffer, and in collaboration with other agencies, the National Guard has formed land-use agreements to ensure land-use is compatible with military operations.

In addition, Integrated Natural Resource Management Plans will now be used in lieu of critical habitat designation to ensure training lands will continue to be used for training while simultaneously protecting habitat. Also, the Army National Guard has instituted restoration programs to clean and restore contaminated sites. Initiatives at seven sites were recently completed and efforts at five additional sites will be conducted through fiscal year 2005.

The Army National Guard is also improving its business practices as they relate to the environment. Environmental program management will be improved through the implementation of mission-focused Environmental Management Systems. The Army National Guard will change its environmental program from one of compliance to one that is proactive and oriented toward the strategic goal of sustainable installations. This will enhance the ability of warfighting units while minimizing environmental impacts. Our organization is utilizing tools such as the Environmental Performance Assessment System's Compliance Site Inventory, a web-based module that allows environmental managers to track, manage, and query a wide array of compliance data. Recent program developments include a series of protocols to assess the progress of the Environmental Management Systems.

A top priority for the Army National Guard is preparation for fiscal year 2005 base realignment and closure actions and the effect these will have on the environment. The Army National Guard expects to have a complete inventory of training lands by 2006 through its Geographic Information System program. These technologies are critical to the battlefield intelligence component of transformation.

Part of the Joint Force

During the past year, the Chief of the National Guard Bureau directed the most profound organizational change to the National Guard since the end of World War II. The heart of this transformation effort was to combine the separate Army and

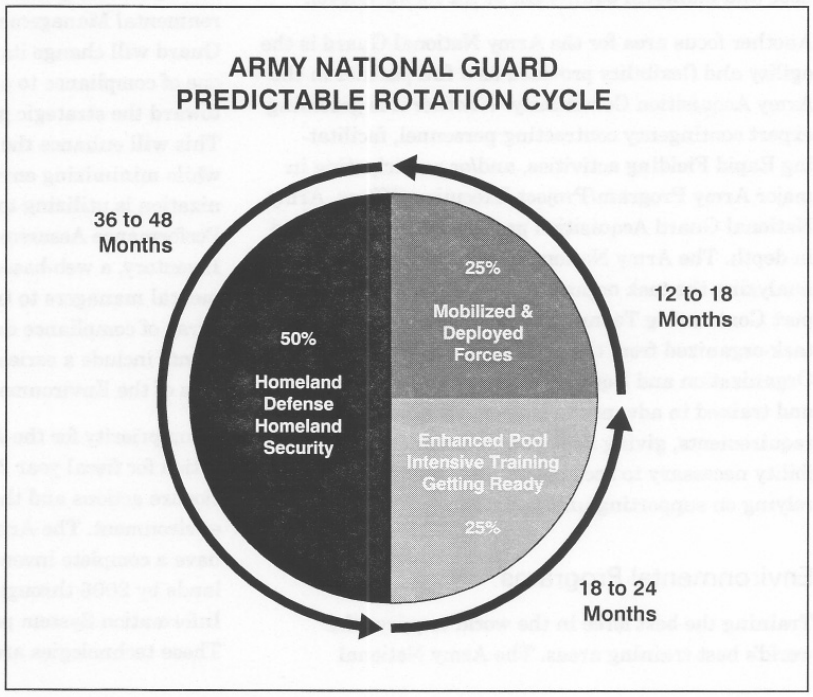
Air National Guard Headquarters that existed in each state and territory into a Joint Force Headquarters, State. The vision was to make the National Guard more responsive to regional Combatant Commanders and better enable the Guard to defend the nation as part of the Joint Team.

The Army National Guard is capable of fighting as part of the Joint Team. Today, operations in both peace and war are conducted by Joint Forces. Army National Guard leaders must be trained and capable of operating in a joint environment.

To ensure that its leaders are capable of this, the Army National Guard is developing the means to expose them to joint operations at various stages in their careers, and facilitate the opportunity for them to receive Joint Professional Military Education. These opportunities and experiences with the realities of joint operations will better assure prepared leadership in the Army National Guard.

Predictability for Our Soldiers

The National Guard has manned units from local communities since the first muster in the Massachusetts Bay Colony in 1636. The National Guard is a community-based force where a Soldier may spend an entire career in the same battalion, company, battery, or troop. This provides for unit cohesion, stability, continuity, and the bonds of camaraderie that come from shared hardships and experiences.



Although we remain a "Minuteman" force, predictability is an important factor in retaining our Citizen-Soldier. Since 1996, our force has been consistently called to federal active duty. Our Soldiers have and will continue to muster for any mission in the fine tradition of the National Guard. However, the Global War on Terrorism is projected to last several years. Feedback from the Soldiers, their families, and their employers is consistent: they simply wish to know when they are needed and for how long. Soldiers are asking for predictability. When possible, mobilizations and deployments should be forecasted in advance, potentially years ahead of a unit's deployment. The Army National Guard is working towards instituting a Predictable Deployment Cycle that will provide units a forecast on overseas deployments. This predictable cycle looks at using a unit only one time in a six-year period. This is a benchmark. While the National Guard stands ready for any mission at any time, this concept will help alleviate the magnitude of the unknown.

Home Station Mobilization

Home Station Mobilization is a National Guard initiative that empowers the Joint Force Headquarters, State, with greater responsibilities for the mobilization of units deploying to war. The Joint Force Headquarters, State, assume responsibility for all mobilization processing activities that are currently done at active duty installations. This expedites the mobilization of the National Guard and their employment into theaters of operation. Improved efficiencies in mobilization allow the Army to maximize the operational capability of the force. Three units successfully conducted Home Station Mobilization and demobilization in fiscal year 2003.

Strategic Readiness System

The Army National Guard implemented the Strategic Readiness System in 2003 to more accurately capture unit readiness. This is an integrated strategic management and measurement system that ensures that all levels of the Army recognize and align their operations to the vision, objectives, and initiatives of the Army Plan. It measures each element's success in achieving these goals. The Strategic Readiness System has assisted Army transformation by changing the way the Army National Guard approaches and reports readiness data.

Personnel and Human Resources

Continuing Army National Guard participation in the Department of Defense Personnel Transformation includes immediate movement towards the implementation of the Defense Integrated Military Human Resources System during 2005–2006. This human resource system aligns the Army National Guard with a Defense vision and goal of a Joint Service integrated personnel and pay system. It will provide support throughout the life cycle of a service member's career. Development and implementation are proceeding under the direction of the Under Secretary of Defense for Personnel and Readiness in coordination with all services and components. This human resource system will streamline the Guardsman transition from a non-federal to federal active duty status.

The Army National Guard's Permanent Electronic Records Management System is a web-based system utilizing digital imagery to store and retrieve personnel records. Its importance lies in its seamless records management capability throughout the Army, enhancing both mobilization and personnel readiness.

By consolidating the administrative operation of human resources in one place, the Permanent Electronic Records Management System allows personnel records to follow a Soldier regardless of component. Army National Guard enlisted records, currently in hard copy, will be converted to an electronic form in fiscal years 2004 and 2005. It will also adopt an Automated Selection Board System to support and improve the process under which information and votes regarding personnel actions are processed by military personnel boards.

Moving from a paper system to a digital system is a time-consuming process. However, once the Automated Selection Board System is adopted, it will save the Army National Guard more than $150,000 per year in microfiche production and postage costs. This system is essential to achieve and fully support Personnel Transformation and programmed for fielding in fiscal year 2005.

CONCLUSION

The Army National Guard remains a unique capability with its State and Federal mission. As a community-based force, we are entrusted with the responsibility to protect our citizens' liberties and our nation's freedoms. Army National Guardsmen have a warrior's ethos and a loyalty to respond to any Governor or Presidential call to duty.

Our Soldiers have been called upon more than ever to provide security to our nation. We are a ready and relevant force, but we will continue to raise our readiness level to C1, the highest level. We are committed to obtain the necessary resources in the areas of modernization, training, and equipping. Our Soldiers will not reach their fullest potential readiness with outdated equipment, limited health care, and unpredictable deployment cycles. In all areas, however, we remain dedicated to using our resources efficiently and prudently.

The Army National Guard continues its transformation into a leaner, more agile and ready force. As the Army National Guard continues to operate in concert with the U.S. Army, it will fight wars and ensure the safety and well-being of the American people.

PREPARED STATEMENT OF LIEUTENANT GENERAL DANIEL JAMES, III

OVERVIEW

What an incredible year this has been for the nation and the Air National Guard. We've continued to make great strides in securing peace for the nation in the Global War on Terrorism. We have validated everything we've said about our capabilities: we train to fight and can accomplish the mission professionally and, most importantly, bring the will of the American people to the conflict.

Our contributions over the past two years and specifically in Operation Iraqi Freedom have been tremendous. Since September 11th, we've mobilized over 36,000 members and have flown over 111,000 sorties for over 340,000 hours. One-third of the Air Force aircraft in Operation Iraqi Freedom was from the Air Guard. We flew 100 percent of the Operation Enduring Freedom A–10 missions and 66 percent of the Iraqi Freedom A–10 taskings. We accomplished 45 percent of the F–16 taskings. The A–10s flew more combat missions in the Iraqi war than any other weapon system. Thanks to our innovative culture, we modernized A–10 and F–16 Block 52 aircraft with LITENING II targeting pods in just three months, giving them precision guided munitions capability. Because of this capability, we were 100 percent successful in stopping SCUD missile launches in the Western Iraqi desert.

We flew 86 percent of the Operation Iraqi Freedom tanker sorties. We accomplished this primarily through the Northeast Tanker Task Force which was operating within 24 hours of initial call from Air Mobility Command. In line with our militia spirit, that task force was initially manned through volunteerism. A total of 18 units supported it; 15 were from the Air Guard.

Iraqi Freedom was also the first employment of the integrated 116th Air Control Wing flying with the Joint Surveillance and Target Attack Radar System (JSTARS). Wing leadership and the Guard and Active crews worked together superbly. While there is still work to do to fix some administrative issues, we have validated the concept of blended or integrated units.

Our Expeditionary Combat Support has been providing outstanding service to the warfighter. Air National Guard maintenance quickly rewired our A–10s and F–16s with LITENING II in minimum time. They've kept our aircraft flying despite the challenging operating conditions.

Security Forces personnel were mobilized for two years and have provided an incredible service. It was Air National Guard Security Forces that were the first Security Forces on the ground in Iraq. Intelligence personnel have been providing unique capabilities for Central Command and organizational support for the U–2, Predator, and Global Hawk. Medical personnel have been utilizing the new Expeditionary Medical Service capability, providing critical care to the warfighter. Civil Engineers built bare bases out of the desert and trained Iraqi firefighters while Weather personnel worldwide provided over 50 percent of the Army's weather support. Financial Management personnel have been diligently working to keep benefits flowing to our members despite complex systems. Air National Guard Command, Control, Communications and Computer personnel have kept vital information flowing on one end of the spectrum and provided Ground Theater Air Control System Personnel on the other. Our chaplains, too, have been providing outstanding spiritual aid out in the field. We have been able to participate at these levels because we provide Expeditionary and Homeland Defense capabilities that are relevant to the nation.

Today as we look toward our future relevancy, as indispensable and equal Total Force partners, we have to be prepared to transform with the Total Force. We are now in a position to make the decisions that will influence our next evolution—transforming the Air National Guard. We are fully committed to the transformation of the National Guard Bureau and Joint State Headquarters.

Some of today's capabilities may not be required in the future. The future Air Force will rely heavily on technological advances in space, command and control, intelligence and reconnaissance systems, information warfare, unmanned aerial vehicles, and the ability to conduct high volume and highly accurate attacks with significantly fewer platforms. For the Air Guard to remain Total Force partners, we have carved out our own strategy in those areas and will explore new organizational constructs. Among those constructs are various forms of integrated units where we can combine individual units with other Air Guard units or with another service component. We have to expand our capabilities as joint warfighters and make the necessary changes to integrate seamlessly into the joint warfighting force. To remain relevant we must continue to listen to the messages that are being sent today.

The "VANGUARD" Engagement Strategy is our vision for transforming the Air National Guard to remain "out in front" as the Department of Defense addresses current realities and plans for an uncertain future. Our Air National Guard of to-

morrow will be molded by our transformational approach and actions of today. The Engagement Strategy highlights several Transformation Focus Areas where we can concentrate our continuing transformational efforts.

We must continue to lean on the strengths of our people, core values, core competencies, community connections and unique culture while participating in Air Force and Department of Defense Transformation, Jointness and Capabilities-Based Relevance.

Now is the time for us to lead the way by considering, selecting and implementing new concepts and missions that leverage our unique strengths to improve Total Force capabilities in support of Expeditionary roles and defense of the homeland. This can only be accomplished by involving all Air National Guard stakeholders, working toward a common goal—enhanced future relevance for the entire Air National Guard. Vanguard seeks the optimum synergy resulting from melding the right concepts and missions at the right times and places for the right reasons without jeopardizing our core values and historic traditional militia heritage and culture.

By together addressing the complex issues that face us, we will keep the Air National Guard "Ready, Reliable, Relevant—Needed Now and in the Future."

SUPPORT THE WAR FIGHT

In the continuing tradition of the Citizen-Airmen, members of the Air National Guard have been contributing to the Global War on Terrorism across the full spectrum of operations. During the peak of Operation Iraqi Freedom, we had over 22,000 members mobilized or on volunteer status supporting the Global War on Terrorism worldwide. In Operation Iraqi Freedom we flew 43 percent of the fighter sorties, 86 percent of the tanker sorties and 39 percent of the airlift sorties. At the same time we were flying almost 25 percent of the Operation Enduring Freedom fighter sorties and over 20 percent of the tanker sorties. True to our heritage, Air National Guard members were hard at work protecting our shores at home by flying over 70 percent of the fighter sorties, over 50 percent of the tanker sorties and 35 percent of the airlift sorties.

But our capabilities do not reside only in aircraft; 15 percent of our expeditionary combat support were engaged during this same period. This includes 60 percent of Security Forces, many of whom were mobilized for the longest duration. Additionally, about 25 percent of our Intelligence, Services and Weather personnel were mobilized.

Air National Guard men and women are proud to defend and protect our nation at home and abroad. Often, however, support equipment requirements overseas necessitate that equipment remain in place, causing a shortage of equipment for training at home. We are working with Air Force and Defense Department leaders to develop a solution.

Medical Service Transformation—Expeditionary Combat Support, Homeland Defense, and Wing Support

In 2002, the Air National Guard's Surgeon General led the Air National Guard Medical Service through its most revolutionary transformation in history by reconfiguring its medical capabilities into Expeditionary Medical Support systems. These systems provide highly mobile, integrated and multifunctional medical response capabilities. They are the lightest, leanest and most rapidly deployable medical platforms available to the Air National Guard today. This system is capable of simultaneously providing Expeditionary Combat Support to the warfighter for Air and Space Expeditionary Force missions, Homeland Defense emergency response capabilities to the states and support to the Air National Guard Wings.

During Operation Iraqi Freedom, Air National Guard medical units provided Expeditionary Combat Support to the warfighter. The Expeditionary Medical Support capability allowed 10 percent of Air National Guard medical unit personnel to deploy for Operation Iraqi Freedom, compared to only 3 percent in the early 1990s for deployments for Operations Desert Shield and Desert Storm. The United States Central Command has validated that the Expeditionary Medical Support system is a perfect fit for the Chief of Staff, U.S. Air Force Global Strike Task Force and Concept of Operations.

Homeland Defense capabilities are provided by the Expeditionary Medical Support system through its Military Support to Civil Authorities. The Air National Guard Medical Service plays a vital role in the development and implementation of the National Guard's Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive Enhanced Response Force Package. This package will provide support to state and local emergency responders and improve Weapons of Mass Destruction response capabilities in support of the Civil Support Teams. The Air National Guard will have 12 trained teams by late 2004 and will build toward an anticipated 54

teams by 2007. The Air Combat Command Surgeon General has committed to providing 39 mass decontamination equipment sets to 39 Wings for installation-to-installation support, which will ensure that the Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive Enhanced Response Force package's decontamination teams remain trained. The National Guard's short-term objective is to obtain 10 Small Portable Expeditionary Aerospace Rapid Response equipment sets, one for each Federal Emergency Management Agency Region.

The Air National Guard Medical Service's new Force Structure provided by the Expeditionary Medical Support system provides standardized and much improved Force Health Protection, Public Health, Agent Detection, and Health Surveillance capabilities to better support all Air National Guard Wings. This will enhance the protection of the Wings' resources and improve the medical readiness of its personnel.

Thus the modular "building block" capability of Expeditionary Medical Support provides an advanced technology and an essential, tailored medical capability in a small forward footprint expandable to meet situational needs.

The Air National Guard Surgeon General has pursued and will continue to develop the Air National Guard Medical Service's technology and modernization plans to support the warfighter's, state's, and Wing's requirements.

Eyes and Ears in the Sky: Air National Guard Intelligence, Surveillance, and Reconnaissance Systems and Support

The Air National Guard's Intelligence Surveillance and Reconnaissance personnel and systems play an increasingly important role in the defense of our nation. Air National Guard men and women are essential to Air Force tasking, processing, exploitation, and dissemination missions to support Global Hawk, Predator, and U–2 collection missions.

Due to a significant increase in Air Force mission requirements, the Air National Guard continues to expand its intelligence collection and production capability. The Air National Guard has also expanded its imagery intelligence capability through the use of Eagle Vision, which is a deployable commercial imagery downlink and exploitation system. This system provides valuable support to aircrew mission planning and targeting, as well as imagery support to natural disasters and terrorism.

Other developing Air Force capabilities that are entrusted to the Air National Guard include the F–16 Theater Airborne Reconnaissance System and the C–130 SCATHE VIEW tactical imagery collection system. The Theater Airborne Reconnaissance System will be improved to provide near-real-time support to warfighter "kill-chain" operations in day-night, all weather conditions. SCATHE VIEW provides a near-real-time imaging capability to support humanitarian relief and non-combatant evacuation operations. To support signal intelligence collection requirements, the Air National Guard continues to aggressively upgrade the SENIOR SCOUT platform. SENIOR SCOUT remains the primary collection asset to support the nation's war on drugs and the Global War on Terrorism in the Southern Hemisphere. Finally, the Air National Guard established a new unit to support RC/OC/WC–135 flying operations at Offutt AFB, Nebraska. This unique future Total Force organizational construct is transformational and serves as a successful example for future operationally integrated units. The Air National Guard is transforming its force structure to meet escalating Intelligence Surveillance and Reconnaissance mission requirements and an ever-increasing demand for Air Guard capabilities.

Managing Force Finances

Financial Management experienced an unprecedented deployment tempo during 2003. For the first time ever, an Air National Guard Comptroller was assigned exclusive command and fiduciary responsibility for the establishment and sustainment of financial operations in direct support of combat missions. The challenge was to create a financial infrastructure from scratch. This Comptroller and subordinate staff of 5 Air National Guard financial management professionals "financed the fight" with distinction.

As locations overseas were vacated, our financial management expertise was noticeably acknowledged. Our finance personnel were specifically chosen and assigned the significant responsibility for final reconciliation and settlement of accounts. The importance of departing the local economy with balanced books and completely liquidated fiscal obligations cannot be understated. The Air Guard delivered remarkable stewardship in this demanding role.

The Operational Tempo at home generated another Financial Management "first". One hundred seventy-six Air National Guard finance personnel were mobilized as part of an innovative home station support package. This was a transformational

approach to the surge in processing workload that tripled as hundreds of Airmen at each unit were called to duty and follow-on overseas deployment.

The Air National Guard: Using the Stars to Serve the Community

For the Air Guard, Space Operations provide a critical communications link to communities throughout the nation in the form of satellite support for everyday uses, television, computers, and wireless phones, but also serve as an important military deterrence from external threats. Currently, the 137th Space Warning Squadron in Colorado provides mobile survivable and endurable missile warning capability to U.S. Strategic Command. Recently, two Air National Guard units in Wyoming and California have come out of conversion to provide operational command and control support to Northern Command and to provide round-the-clock support to the Milstar satellite constellation.

Additionally, the Air Force has approved space missions for the 119th Command and Control Squadron in Tennessee to support the U.S. Strategic Command, and the 114th Range Flight in Florida is partnered with an active Air Force unit performing the Launch Range safety mission. There are future plans by the Air Force to transition additional space program missions and assets in Alaska and other states to Air National Guard control.

Comprehensive and Realistic Combat Training—An Asymmetric Advantage

The National Guard Bureau has a fundamental responsibility to ensure that the men and women of the Air Guard are properly trained to meet the challenges they will face to protect and defend this country. This can be done through the effective development and management of special use airspace and ranges. To support this requirement of the warfighter, the Air Guard is responsible for 14 air-to-ground bombing ranges, four Combat Readiness Training Centers, and the Air Guard Special Use Airspace infrastructure.

To ensure that our units remain ready and relevant, they must have access to adequate training airspace and ranges that meet the demands of evolving operational requirements. The National and Regional Airspace and Range Councils, cochaired by both the Air Guard and the Air Force, continue to identify and work airspace and range issues that affect combat capability and are engaged with the Federal Aviation Administration in the redesign of the National Airspace System.

Transformation efforts to improve realistic training at our ranges have been identified by several units as instrumental in preparation for Operation Iraqi Freedom. For example, the recently deployed Joint Modular Ground Targets, Urban Area Targets and Time Sensitive Targets provide training that reflects today's combat realities. Ranges are being equipped with modernized scoring and instrumentation and data-link equipment necessary to support precision-guided weapons training. Critical training is provided to ground Forward Air Controllers as well as aircrews. Range residual cleanup and associated environmental issues remain a major challenge.

The four Combat Readiness Training Centers provide an integrated, year-round, realistic training environment (airspace, ranges, systems, facilities, and equipment), which enables military units to enhance their combat capability at a deployed, combat-oriented operating base and provide training opportunities that cannot be effectively accomplished at the home station. As such, these centers are ideal assets for the Joint National Training Capability. The centers offer an effective mix of live, virtual and constructive simulation training. The Air National Guard continues to pursue National Training Capability certification for these centers and ranges.

It is imperative to the warfighter that the Air Guard maintain its training superiority. As the warfighting transformation and joint operational requirements evolve, it is essential that the airspace and range infrastructure be available to support that training.

HOMELAND DEFENSE

Air Sovereignty Alert

Since September 11, 2001, thousands of National Guardsmen have been mobilized to operate alert sites and alert support sites for Operation Noble Eagle (ONE) in support of Homeland Defense. Our Air National Guard has partnered with Active Duty and Reserve forces to provide Combat Air Patrol, random patrols, and aircraft intercept protection for large cities and high-valued assets in response to the increased threat of terrorist groups. By the end of fiscal year 2003, Air National Guard units had assumed 16 of 16 North American Air Defense and Northern Command-directed ground alert sites in the Continental United States and 1 of 2 alert site locations outside the United States. While the Air National Guard has assumed the responsibility of all ground alert sites and some irregular Combat Air Patrol pe-

riods, Active Duty units have shouldered the burden of all regular "steady-state" Combat Air Patrols. This partnering agreement maximizes our nation's current basing locations and capitalizes on the high experience levels within the Air National Guard and its professional history in Air Defense operations.

To continue operations at this indefinite pace has posed some unique funding and manning challenges for both the field and headquarters staffs, especially with the looming two-year mobilization limitation and Secretary of Defense's desire to normalize operations. Beginning mid-November 2003, many Air National Guard personnel began to reach their two years on active duty, causing much concern as to the participation of Air National Guard personnel. With the release of the fiscal year 2004 President's Budget, the Air National Guard received temporary funds to begin transitioning from a mobilized to a "steady state" force for fiscal years 2004 and 2005. This funding allowed for supporting the ASA mission in a new Continuum of Service active duty or technician status while at the same time it funded many of our facilities, equipment, and MILCON requirements to support the mission long-term. Our goal is to have all alert personnel transitioned from contingency/mobilized to "steady state" Continuum of Service status by March of 2004. As we move into the fiscal year 2006 Program Objective Memoranda exercise, the active Air Force and Air National Guard will continue to work towards a permanent solution for our alert force and advocate with the Office of the Secretary of Defense to incorporate these temporary Continuum of Service tours into steady state programs.

TRANSFORMATION FOR THE 21ST CENTURY

Supporting a "Capabilities Based" Military Force

The Air National Guard is a solid partner with the Air Force, the Air Force Reserve, and all collective units of the Department of Defense designed to protect national security and maintain international peace. The Defense Department's priority is Transformation—and therefore it is the priority of the active services and the reserve components. Transformation as "relevancy" is dependent on the Air National Guard readiness, in both state and federal missions, being able to support service-apportioned, Joint Chiefs-validated, and Combatant Commander-required "-capabilities."

The Air Force is pursuing innovative organizational constructs and personnel policies to meld the various components into a single, unified force. Ongoing shifts in global conflict and U.S. strategy suggest an increasing attention to activities such as homeland defense, nation-building, and others that may require different mixes of capability that are not necessarily resident at sufficient levels in the Active Component alone. This "Future Total Force" integration will create efficiencies, cut costs, ensure stability, retain invaluable human capital, and, above all, increase our combat capabilities. One example of this transformational initiative is the proposed movement of Air National Guard manpower to Langley AFB, an active duty base, from Richmond, an Air National Guard base, with the intent of leveraging the high experience of Guard personnel to improve the combat capability for the active force.

Another transformation effort is to "integrate," where sensible, units from two or more components into a single Wing with a single commander. Active, Guard, and Reserve personnel share the same facilities and equipment, and together, execute the same mission. This is a level of integration unprecedented in any of the Services.

Potential future missions might include Unmanned Aerial Vehicles and their training programs, combining the Unmanned Aerial Vehicle squadrons with their manned fighter counterparts; and integrated fighter squadrons realizing the benefits of highly trained personnel flying legacy systems during the transition period to newer fighter aircraft such as the Joint Strike Fighter. The Air National Guard has been steadily increasing its participation in space operations over the years and already plays a vital role in missile warning, satellite command and control, and launch operations. These contributions will be significant during conflicts envisioned for the future.

These changes confirm and continue the trend in which air and space forces carry a heavier share of the burden in the nation's wars. The new strategy and force-sizing standard point to an increase, not a decrease, in aerospace power.

Modernizing for the Future

The Air National Guard modernization program is a capabilities-based effort to keep the forces in the field relevant, reliable and ready for any missions tasked by the state or federal authorities. As a framework for prioritization, the modernization program is segmented into three time frames: short-term, the current and next

year's Defense budget; medium-term, out to fiscal year 2015; and long-term, out to fiscal year 2025 and beyond.

As the force structure continues to evolve, the Air Guard can anticipate a continuous process to ensure the forces provide an equivalent capability for Joint and Coalition Forces. The Air National Guard remains an equal partner with the Air and Space Expeditionary Forces that are tasked to meet the future challenges and missions. Because of budget constraints, it is incumbent upon the Air Guard to maximize combat capability for every dollar spent. The Air National Guard includes all aircraft, ground command and control systems, and training and simulation systems in this modernization effort. The requirements necessary to focus this effort must be grounded in clearly defined combat capabilities and missions. The foundation of our future efforts is relevance with reliability and readiness. It is increasingly difficult to keep the Air National Guard legacy systems relevant given the transformation of the Air Force to better, more effective technologies. Systems funding will be a continuous and serious challenge since funding levels continue to fall short of mission requirements. Over the foreseeable future, the Air Force will be stretched to simultaneously fund current operations, modernization, and future research and development projects.

In the near-term, our Modernization Program focuses on the ongoing Global War on Terrorism. Theaters of operations range from domestic efforts, such as fire-fighting, to full partners in overseas efforts, such as Operation Iraqi Freedom and Operation Enduring Freedom. The demands of the modern battlefield require the Air Guard weapons systems and crews to have identical or equivalent capability as the joint and coalition forces. The results of the modernization program were graphically demonstrated in both Operation Iraqi Freedom and Operation Enduring Freedom as the Block 25/30/32 F–16s, with their laser designator LITENING II targeting pods, the Enhanced Position Reporting System and Situation Awareness data links became the weapons system of choice for the combatant commanders in both theaters. Once air supremacy was achieved, the Air National Guard, Air Force Reserve Command and active A–10 aircraft became the primary choice in both theaters. We fully expect that future threats will continue to evolve which will require continued modernization across all weapons systems.

Here is a summary of the Air National Guard's force posture by weapons system:

The A–10 demonstrated its continued relevance in today's battlefield as the Warthog was the dominant weapon when coalition forces raced for Baghdad during Operation Iraqi Freedom. Rapid integration and installation of the LITENING II laser targeting pod in only a few days and subsequent spectacular precision attacks served as a model for the future of the A–10. Several other limitations were identified to include the need to modernize the aircraft infrastructure through the Precision Engagement program. One particular limitation was the lack of a tactical data link. The leading candidate in the near-term is the Joint Tactical Radio System, with installation scheduled to begin in fiscal year 2005. During 2003, the A–10 modernization program experienced, increased emphasis including an aircraft modification to house the personal locator system, further research into an adequate engine replacement, continued testing of the AN/ALR 69 Radar Warning Receiver, continued COMET infrared countermeasures pod testing, continued acquisition of targeting pods for precision guided munitions, and further work for the Precision Engagement program to upgrade the aircraft avionics continued development and integration.

During 2003, the Air Guard F–16s provided crucial combat capabilities in Operation Noble Eagle, Operation Iraqi Freedom and Operation Enduring Freedom by using advanced targeting pods funded by the Air National Guard's Modernization Program for precision-guided munitions. The Commercial Central Interface Unit, Color Multifunctional Displays, the Heads Up Display Advanced Electrical Unit, the Radar Modernized Programmable Signal Processor, the AN/ALR–69 Radar Warning Receiver Antenna Optimization, Situational Awareness Data Link and the Electronic Attack Upgrade were all part of our successful modernization effort. Funding for the Advanced Identify Friend or Foe upgrade was secured along with funding for the final engine upgrade kits. The Theater Airborne Reconnaissance System continued its spiral development to bolster the manned tactical reconnaissance limitation identified by the combatant commanders in every after-action report.

The HC–130 is completing installation of the Forward Looking Infrared system, an essential capability during combat rescue operations. The HC–130 starts integration and installation of the Large Aircraft Infrared Counter Measure system, increasing survivability in face of the ever-increasing threat from hand-held missiles.

The HH–60 program started installation of the new M3M .50 caliber door gun, replaced personal equipment for the pararescue jumpers with state-of-the-art weap-

ons and technologies. The initiation of the HH–60 replacement program will begin to slow any further modernization.

The Operational Support Aircraft Modernization Program leased two 737 Boeing Business Jets that are supporting current VIP Special Air and Joint Operational Support Airlift operations to improve response for civilian and military senior leaders. A third aircraft will receive full modifications and begin service as the C–40C in September 2004.

The training and simulation systems ensure the personnel on the front line are as ready and relevant as the equipment they use. Over the past year, the Air National Guard has begun the transition to the Distributed Mission Operations capability leveraging 21st century technology with realistic simulation. Useful at every level of training, crews acknowledged the edge they gained through mission rehearsal on the ground prior to some of the more complex missions. Starting with the A–10 and F–16 distributed mission training capable flight simulators, the Air National Guard has begun to transform their approach to combat training. The modernization of the F–15 includes the continued installation of the BOL Infrared countermeasures improvements system, continued delivery of upgraded engine kits and completion of the installation of the Multifunctional Information Distribution System Fighter Data Link. The next upgrades include the installation of the new 8 mm recorders, retrofit of a permanent night vision cockpit lighting system, continued integration and purchase of the Joint Helmet Mounted Cueing System, and the delivery of the replacement Identify Friend or Foe system. The conversion from the F–15A/B to F–15C/D begins in fiscal year 2005, thereby extending the relevance of the air superiority forces in the Air National Guard.

C–130 enhancements included the multi-command Avionics Modernization Program which upgraded nearly 500 aircraft to a modern, more sustainable cockpit. Additionally, the Air National Guard continued acquisition of the AN/APN–241 Low Power Color Radar, continued installation of the Night Vision Imaging System, and the Air National Guard-driven development of Scathe View to include various technological spin-offs having application in a myriad of civilian and military efforts. Other Air Guard programs include the AN/AAQ–24 (V) Directional Infrared Counter-measures System, propeller upgrades like the Electronic Propeller Control System and NP2000 eight-bladed propeller, and a second generation, upgraded Modular Airborne Fire Fighting System. Additionally, the Air National Guard partnered with the Air Force for the first multiyear buy of the new C–130J aircraft to replace the aging C–130E fleet.

The KC–135 weapons system completed the installation of the cockpit upgrade and continued the engine upgrades to the R-model. The KC–135 continued to be the air bridge for the multiple combat deployments across the globe. Keeping the aging fleet modernized will continue to challenge the Air National Guard as the refueling operations evolve to meet the next mission. It is critical the aging tanker fleet be modernized.

The Air National Guard Modernization Program is the key to continuing to field a relevant combat capability, ensuring dominance of American air power for the next 15 to 20 years. We must sustain an open and honest dialogue from the warfighter through Congress, in order to maximize the investment of precious tax dollars. The modernization program is a process, not a goal. Recent combat successes validate that process and serve as a model for future transformation of the United States Air Force.

Land Fleet Supports Air Operations

The Air National Guard Vehicle Priority Buy program cannot keep pace with mission requirements associated with Homeland Security, new Alert sites, Security Force protection, medical evacuation teams and new aircraft conversions.

At the present time, 35 percent of the Air National Guard vehicle fleet is due for replacement, at a cost of approximately $262 million.

The Air National Guard vehicle fleet will continue to age and become more costly to maintain. The less-than-adequate replacement rate coupled with additional requirements to support newly emerging homeland security tasking will severely impact our vehicle readiness.

Military Personnel Transformation—30 Years After "Total Force"

The Air National Guard is partnered with the Air Force in multiple transformation initiatives that will affect the Total Force. These initiatives, tied with the Office of the Secretary of Defense's new paradigm—Continuum of Service—will necessitate simplifying the processes and rules that are now in place. Continuum of Service is a transformation for personnel management that is needed to acknowledge the changes that have occurred in the way Reserve Component members are

now employed in the full range of operational worldwide missions. This transformation will require changes in legislation and the commitment of the military services. Although there is an increased spirit of volunteerism, and retention remains strong despite the increase in calls for federal and state service, a more integrated approach to military personnel management is imperative. The integration that is required presents a challenge in military personnel life cycle management. The Guard's Directorate of Diversity, Personnel, and Training, the stewards of the force, will ensure Continuum of Service policies have the flexibility to manage the force separately, so Guardmembers have a reasonable opportunity to compete for promotion.

One of the business operations targeted by the Secretary of the Air Force for transformation is the manner in which the Air Force delivers human resource services to its customers. The transformation of these business operations will achieve the Air Force Secretary's objectives by shifting from the current labor-intensive, transaction-focused customer service delivery system to a "strategic partner" role. The ultimate goal is the creation of a customer-focused, mission-driven Total Force service-based delivery system. The system will be leveraged by technology that provides effective, efficient and timely services, while freeing human resource professionals to advise commanders on the development and management of their personnel. The Air Guard is committed to the Secretary's vision and goals for Customer Service Transformation while, at the same time, ensuring Air National Guard members have access to the human resource services which are vital to effective career management.

The Air National Guard supports the transformational vision of the Chief of Staff of the Air Force for a more deliberate approach in developing a force development construct. This entails a Total Force concept that incorporates the way the Air Force trains, educates, promotes, and assigns the Total Force—Active, Guard, Reserve, and Civilians. The newly published Air Force Policy Directive 36–26 represents a radical departure from the current educational and assignment culture. The newly published directive emphasizes a flexible, capabilities-based, Total Force approach that fulfills the professional and personal expectations of our Airmen, while still meeting mission requirements.

One aspect of the Force Development construct is ensuring implementation of the Air National Guard's national diversity strategy. The purpose of the diversity strategy is to increase mission readiness in the organization by focusing on workforce diversity and assuring fair and equitable participation for all. Finally, the Air National Guard has developed a Formal Mentoring Initiative that is ready for a nationwide rollout. This program will be a key component in the professional development of Air National Guard members.

Information Networking for the Total Force

The Air National Guard Enterprise Network is critical to the successful transmission of information within a unit, between units, and among the various states. We are making progress towards modernizing our nationwide information technology network that serves a vital role in homeland security and national defense. A healthy and robust network for reliable, available and secure information technology is essential to federal and state authorities in their ability to exercise command and control of information resources that potentially could impact their various constituencies. The effective functioning of the Air National Guard relies upon a strong interface and interaction within the network to share information at all levels.

The Air National Guard continues to make significant progress in procuring network hardware and personal computer and server software that decreases complexity and increases network communication with Air Force and Department of Defense partners.

The Air National Guard has completed a nationwide consolidation of network servers by consolidating core network services to regional operations centers, and we continue to provide high quality Information Technology services. At the same time, we continue to reduce redundant and obsolete systems and programs.

The current initiative to provide better communications to our warfighters is our initial roll-out of Microsoft's Active Directory Services. These services will provide enhanced security and broader communications capabilities to our users, and more closely integrate our network with Air Force and other Service networks, thereby increasing both security and communications capability. We hope to fund the remaining roll-out in fiscal year 2004 and begin follow-on programs that will reduce the time required to maintain server and desktop hardware, as well as help manage the software upgrades and security patches so critical to our network's security.

Greater emphasis must be placed on maturing the Air National Guard Enterprise Network. The rapidly changing hardware and software requirements of our warfighting and combat support functions come with a significant cost to upgrade and maintain a fully capable Information Technology network. The Air Guard network has typically been supported at the same level it was during the 1990s. Without a significant infusion of new technology, all other Air National Guard mission areas will be less than fully capable of executing their missions. This modernization initiative will certainly enhance the Air National Guard's interoperability with other federal and state agencies.

Preserving Facility Operations

Air National Guard Civil Engineering is proud of its management record of constraining infrastructure and operating costs while providing quality installations responsive to the nation's needs. This focused business concept limits direct investment to core responsibilities to better balance component, service, and department resources with other risk areas.

Civil Engineering demonstrates the balance between cost-effective and responsive infrastructure by operating a lean facility plant, relying on contractors for most facility work, and leveraging with the states and the traditional Guard member structure to reduce costs.

Facility space at the typical Air National Guard installation averages only 350,000 square feet constrained to operational, training and administrative space on 150 acres of leased property. Air National Guard installations do not have the extensive support facilities typically present on active component bases, such as dormitories, golf courses, family housing, hospitals, child-care facilities, schools, youth centers, commissaries or main exchanges. Instead, Guard members leverage this quality of life support through the community. Additional cost containment is realized by the joint-use of runways and taxiways that are typically owned by the local civilian airport authority and by property leases at nominal or no cost.

A small federal workforce of 7 to 10 predominantly civilian employees executes the facility operations and maintenance program through a contract and state employee workforce. This small full-time workforce is built around the Base Civil Engineer, an assistant, a facility manager and a production controller. About 15 state employees provide maintenance service for day-to-day requirements while larger non-routine maintenance, repair and construction, where most investment is made, are accomplished through contracts as needed. Twenty-four state employee firefighters provide crash, fire and rescue service when not provided by the local civilian airport authority.

Base operational costs are further leveraged by state contributions. Specifically, states are required to provide matching funds for services such as utilities, custodial, trash, grounds maintenance and snow removal. This contribution typically ranges between 15 and 25 percent of the total cost of the requirement. Additionally, Civil Engineer and Services "outsource" its military capability, with personnel fulfilling traditional part-time roles, and thus avoiding full-time costs except when needed for wartime or deployment requirements. The Air National Guard Prime Base Engineer Emergency Force or PrimeBEEF force has been covering 30 percent of the total Air Force engineering wartime and deployment requirement, while the Prime Readiness in Base Services or Prime RIBS team has been covering 40 percent of these requirements.

Civil Engineer management controls costs to help keep the Air National Guard and its military presence in the community. National Guard facilities and personnel assigned to local units are the primary connection most Americans have with the military since a large number of active duty bases were closed during the 1990s. This community presence provides cost-effective platforms for recruitment and retention by being close to where Guard members work and live. Correspondingly, the Air Guard's efficient infrastructure and management structure helps the National Guard and the Department of Defense to balance resources with other areas of risk as they continue to transform military capabilities.

Redesigning Financial Management Systems

The Air National Guard Financial Management community is actively participating in the coordination of the Office of the Secretary of Defense Business Management Modernization Program and the Air Force Financial Management Transformation efforts.

This will ensure our future systems and procedures comply with the Defense Business Enterprise Architecture. The Air Guard's efforts include: Adopting standard business practices and systems to enhance the accountability and accuracy of financial management transactions; and replacement of non-compliant financial

management systems with web applications that fully support the defense architecture and the Chief Financial Officers Act of 1990.

This is particularly evidenced by our efforts to transform and modernize the management of the Air National Guard Military Personnel Appropriation through the future implementation of the Reserve Order Writer System, a candidate to become a joint system that will bring the latest advances in technology and military orders information to Guards-members in the convenience of their homes around the clock.

CONCLUSION

The Air National Guard will continue to defend the nation in the War on Terrorism while transforming for the future. We will do this across the full spectrum of operations in both the Expeditionary and Homeland Defense missions. The Air National Guard will also continue to leverage our militia culture and linkage to the community that is vital to our nation. The men and women of the Air Guard are currently serving proudly in the far corners of the globe—and here at home—and will do so with distinction with the necessary tools to protect our freedoms.

PREPARED STATEMENT OF MAJOR GENERAL PAUL J. SULLIVAN, VICE CHIEF, NATIONAL GUARD BUREAU

OVERVIEW

The most exciting changes occurring in the National Guard today are in the areas of Transformation, Jointness and Homeland Defense. The initiatives begun in 2003 to bring the National Guard fully into the Goldwater-Nichols era of jointness are already transforming the way we do business in the highest echelons of the Department of Defense, out in the states, and around the world where our Soldiers and Airmen are protecting our nation from harm.

Transforming our headquarters to a joint structure provides greater interoperability with combatant commands, especially with U.S. Northern Command, U.S. Southern Command, and U.S. Pacific Command. It also increases our ability to interface with the Department of Defense and the Joint Staff on issues of Homeland Defense, Homeland Security, and Military Assistance to Civil Authorities. In summary, this will allow the Guard to operate on the same basis as the rest of the Defense Department.

The year 2003 marked the beginning of our journey. There are many more tasks to accomplish before we have fully implemented our transformation campaign plan.

The National Guard Bureau completed the initial stage of its transformation to a joint staff during the summer of 2003. In revising the staff structure, we attempted to mirror as closely as possible the structure of the Joint Staff in the Pentagon, thus facilitating closer coordination between the two to the maximum degree possible.

The Bureau is extensively reorganizing its manpower to perform staff functions that had never been addressed outside of the single-service focus of the Army National Guard and Air National Guard Directorates. The new joint Directorates of Logistics and Intelligence are prime examples of the Bureau expanding its vision and capabilities so that we can fully engage in interservice and intergovernmental efforts to protect the nation at home and abroad.

The expansion of the National Guard Bureau's roles and missions in the joint arena must still be validated by the Secretary of Defense and the Joint Staff.

The transformation to a joint Headquarters at the National Guard Bureau is being paralleled by a similar transformation in the states. The new Standing Joint Force Headquarters, State, are being designed to parallel the configurations of the National Guard Bureau, the Joint Staff, and the Combatant Commands. The States have been given flexibility to apply their human and financial resources to the joint configuration to address their unique needs, while centralizing each governor's ability to leverage both homeland security and state mission capabilities in the event of a local emergency.

Every Joint Force Headquarters, State will provide a standing Joint Force Command and Control capability that will allow a combatant commander to accurately monitor an incident, provide supporting forces, or command federal forces, including federalized National Guard forces, in support of the civilian incident commander. This coordination between state and federal authorities will be aided by the creation of a robust command, control and communications backbone. We have proposed a Joint CONUS Communications Support Enterprise initiative that will provide a common, secure means through which they can coordinate their response for any domestic emergency. Upon completion of these transformational initiatives, the abil-

ity of both civil and military authorities to secure and defend the homeland will have increased exponentially.

In 2003, under the direction of Lieutenant General H Steven Blum, the Bureau asserted that joint duty billets and joint educational opportunities should be extended to the National Guard. The Defense Department is currently considering plans that will allow members of the reserve components, for the first time in history, to benefit from the opportunities provided by Joint Professional Military Education. The broad-based implementation of this training in years to come will be critical to achieving our goal of fully integrating the National Guard system with the Department and the combatant commands.

In organizing itself for the future, the National Guard Bureau, together with the National Guard headquarters in every state and territory, is transforming to become a member of the joint team. The War on Terror demands this capability from us; indeed, we are already serving in this capacity in our day-to-day interactions with the Office of the Secretary of Defense, with the Joint Staff, and with the combatant commanders. It is our responsibility to ensure that this transformation to jointness reaches full operating capability by October 2005.

SUPPORT THE WAR FIGHT

State Partnership Program

The National Guard State Partnership Program links states and countries for the purpose of improving bilateral relations with the United States. The value of this program is its ability to focus the attention of a small part of the Department of Defense—a state National Guard—with a single country or region in support of our government policies. The program's goals reflect an evolving international affairs mission for the National Guard. In addition, the National Guard promotes regional stability and civil-military relationships in support of U.S. policy objectives. The State Partners actively participate in a host of engagement activities including bilateral familiarization and training events, exercises, fellowship-style internships, and civic leader visits. All activities are coordinated through the theater combatant commander and the U.S. ambassadors' country teams, and other agencies, as appropriate, to ensure that National Guard efforts are tailored to meet both U.S. and country objectives. This program increases exposure of Guard personnel to diverse cultures in regions where they may be deployed in the future.

During 2003, nine new partnerships—Kansas-Armenia; Maryland-Bosnia; Puerto Rico-Dominican Republic; New York-South Africa; Wisconsin-Nicaragua; Utah-Morocco; Alaska-Mongolia; Florida-Guyana; and Virginia-Tajikistan—were formed. The Colorado-Jordan partnership was announced in March 2004. Currently thirty-nine U.S. states, two territories, and the District of Columbia are partnered with forty-five countries around the world, and last year alone more than 300 events took place between the partners. In fiscal year 2004 and beyond, it is our goal to expand the program to include increased interaction at the action officer and troop level will enable the partners to develop more hands-on events.

The State Partnership Program is also invaluable for our own homeland security. As we interface with countries that, on a daily basis, live with a terrorist threat in their own back yard, we learn the tactics and techniques that they employ to thwart attacks on their civilian population. Conversely, the countries learn some of the capabilities and techniques employed by not only the Department of Defense, but by our civilian organizations at both a federal and state level that are in use to protect our homeland. It is through this cooperative exchange of vital information that we ultimately protect our homeland by pushing our borders outwards and creating an atmosphere of mutual support and collaboration.

Full-Time Support

The Active Guard and Reserve and Military Technician programs are a major asset for the National Guard and are essential to organizational readiness. Governed by USC Title 32, these full-time personnel are uniformed members who perform day-to-day responsibilities for a unit, who train with traditional Guardmembers in that unit, and who are available for mobilization or deployment when the unit is called to active duty.

The heightened pace of operations, however, has put a strain on normal procedures, particularly for the military technician force. National Guard technician deployments in support of ongoing contingency operations involved approximately 16 percent of the technician workforce. This resulted in an increased demand for personnel actions to support technician separation and leave of absence actions, entitlements counseling, and backfill of positions in order to continue accomplishing essential full-time functions like payroll processing and equipment maintenance. In order

to expedite the increased demand for backfill, the previously authorized emergency hiring flexibilities were expanded and extended for another year. These flexibilities provided streamlined hiring processes for affected states.

The deployment of large numbers of military technicians with their units, while beneficial to the overall mission, created funding challenges for the program. Under current Uniformed Services Employment and Reemployment Rights laws, absence of technicians from their positions due to service in the armed forces does not result in absence of costs for agencies employing those technicians. The National Guard was still responsible for costs associated with stay-behind missions, such as maintaining armories and equipment, and the congressional legislation that employee and employer health benefit costs for technicians be paid for up to 18 months during mobilization. Therefore, residual costs incurred from health benefit costs, costs associated from backfilling mobilized technicians, outsourcing expenses, and other issues resulted in increased funding challenges during 2003.

National Guard Family Programs

As the role of the National Guard becomes focused on the dual missions of Global War on Terrorism and Homeland Security, units will continue to maintain a high level of readiness for overseas and homeland operations.

Not since World War II have so many Guardmembers been deployed to so many places for such extended periods of time. The role and support of the family is critical to success with these missions. The National Guard Family Program has developed an extensive infrastructure to support and assist families during all phases of the deployment process. There are more than 400 National Guard Family Assistance Centers located throughout the fifty-four states, territories and the District of Columbia. These centers provide information, referral, and assistance with anything that families experience during a deployment. Most importantly, these services are for any military family member from any branch or component of the Armed Forces.

If family members are not prepared for deployments, a service member's readiness, morale, and eventually retention are affected. Family programs are currently in place to assist families during deployment, pre-mobilization, mobilization, and reunion. The Family Program office provides support to program coordinators through information-sharing, training, volunteer management, workshops, newsletters, family events, and youth development programs, among other services.

The greatest challenge lies in awareness and communication. The feedback we receive indicates that many family members are unaware of the many resources available to them during a period of active duty or deployment. Our primary goals are to increase the level of awareness and participation with existing family resources, and to improve overall mission readiness and retention by giving our warfighters the peace-of-mind of knowing that their families are well cared for.

Employer Support of the Guard and Reserve

The National Guard Bureau renewed its partnership with the National Committee, Employer Support of the Guard and Reserve. The Chief, National Guard Bureau, reinforced this commitment with his decision to authorize 54 positions for the states, District of Columbia, and territories to augment retention initiatives within all seven of the reserve components. A new initiative in fiscal year 2004 is a national level contract that provides the states with additional personnel and puts the Employer Support program on a parallel track with the National Guard's Family Program. These two programs are intended to dovetail, and reflect our increased efforts to address the impact of mobilizations on employers and families.

Youth ChalleNGe Program

The award-winning National Guard ChalleNGe program is a community-based program in twenty-nine sites that leads, trains, and mentors at-risk youth to become productive citizens. The second largest mentoring program in the nation, the ChalleNGe program is coeducational and consists of a five-month "quasi-military" residential phase and a one-year post-residential phase. Corps members must be volunteers, between 16 and 18 years of age, not in trouble with the law, drug-free, unemployed, and high school dropouts.

A national model since 1993, the twenty-five states and territories that offer the program have graduated more than 48,000 young men and women who leave equipped with the values, skills, education and self-discipline necessary to succeed as adults in our society. Significantly, although many ChalleNGe candidates are from at-risk populations, over 70 percent of them have attained either a General Equivalency Diploma or a high school diploma. Furthermore, approximately 30 percent of all graduates choose to enter military service upon graduation. While the General Equivalency Diploma attainment is over 66 percent, and the graduation

rate is above 90 percent, the National Guard seeks to improve the results in both areas.

The National Guard is "Hometown America" with deep roots in every community. The strong community ties make the National Guard a highly visible and effective entity in many towns and communities across the United States. National Guard units across the country have traditionally been involved in youth programs designed to help young people become positive and productive members of their community. The ChalleNGe program pays for itself with the savings realized from keeping young people out of jails and off welfare roles. In fact, these same young people are more prone to become productive, tax-paying members of their communities. The program saves $175 million in juvenile corrections costs, while lowering the percentage of youth who are on federal assistance from 24 percent to 10 percent. The results are that a ChalleNGe program actually makes money for the tax dollars spent.

Drug Interdiction and Counterdrug Activities

In 1989, the Congress authorized the National Guard to perform drug interdiction and counterdrug activities under Section 112, Title 32 of the United States Code.

This domestic counterdrug effort falls into two general areas: supporting community-based drug demand reduction programs and providing support to help law enforcement stop illegal drugs from being imported, manufactured and distributed. Approximately 2,600 personnel in Title 32 status work with the programs, while at the same time maintaining their wartime military skills and unit readiness.

The mission of the Drug Demand Reduction program organizes and expands community efforts to form coordinated and complementary systems to reduce substance abuse. The Guard's primary focus is on community mobilization and assistance to neighborhood groups. We assist these groups in setting goals and objectives and building neighborhood strength and resiliency that provide alternatives to drugs and drug-related crime. In fiscal year 2003, National Guard members were able to reach an audience of over 4.7 million students and family members with an anti-drug message.

Supply reduction activities stem the flow of illegal drugs into the United States. The National Guard performs a variety of counterdrug missions in direct support of local, state, and federal law enforcement. The types of support provided are diverse, but focus primarily on intelligence analysis and investigative case support. Activities also include linguist support, surface and aerial reconnaissance and observation, as well as communications and engineer support. We provide unique military-oriented skills so the program acts as a force-multiplier for law enforcement agencies.

As part of the supply interdiction mission, the National Guard provides airborne support to the domestic effort through the Counterdrug Reconnaissance and Aerial Interdiction Detachment program and the C–26 Sherpa program. These programs employ Kiowa helicopters and Sherpa aircraft to detect and track targets identified by law enforcement agencies. These aircraft have been specially modified with thermal imaging equipment, night vision devices, and high-tech communications equipment. Currently, we operate 116 Kiowa helicopters distributed among thirty-seven states; while eleven states each have a single Sherpa aircraft for these efforts. Recently, several of the Sherpa assets have been tasked to support overseas missions in support of U.S. Southern Command.

In fiscal year 2003, National Guard support efforts led to 66,395 arrests and assisted law enforcement in seizing the following:

Cocaine	665,179 pounds
Crack Cocaine	61,713 pounds
Marijuana eradicated	2,232,693 plants
Marijuana (processed)	1,251,182 pounds
Methamphetamines	26,077 pounds
Heroin	6,475 pounds
Ecstasy	387,616 pills
Other/Designer Drugs	14,600,274 pills
Weapons	10,260
Vehicles	76,349
Currency	$192,607,004

Due to the tremendous successes of the Guard's training programs, and the growing need for more specialized training, the Guard operates five congressionally authorized training academies that provide counterdrug training for both law enforcement and community officials. These programs are open to both civilian and mili-

tary personnel, and these no-cost courses provide training in both supply interdiction and drug demand reduction.

Finally, to help ensure a drug-free workplace, the National Guard administers and oversees a Substance Abuse Prevention Program. All members of the National Guard are subject to random, unannounced testing throughout the year. Additionally, members in certain specialties or job categories are subject to mandatory testing each year. In fiscal year 2003, we performed more than 225,000 drug tests. This testing helps ensure that the National Guard force is fit and mission-ready.

HOMELAND DEFENSE

National Guard Reaction Force

The National Guard has nearly 368 years of experience in responding to both the federal government's warfighting requirements, and the needs of the states to protect critical infrastructure and to ensure the safety of local communities. In an effort to improve the capability of states to respond to threats against critical infrastructure within their borders, the Chief of the National Guard Bureau has asked each Adjutant General to develop a Quick Reaction Force capability. The goal is to have a trained and ready National Guard force available to the governor that can respond in support of local, state and, when required, federal agencies. The Guard Bureau has been coordinating with the states and territories to identify current response capabilities, as well as working with Northern and Pacific commands to ensure that these capabilities are understood and incorporated into their emergency response plans. Work is underway to identify additional requirements for force protection and interoperability with civil responders. This reaction force is not a new capability or concept. What is new is the standardized training and mission capabilities being shared by all states, territories, and the District of Columbia.

Full Spectrum Vulnerability Assessment

The Full Spectrum Vulnerability Assessment program is a new National Guard Homeland Defense initiative in which each state and territory has a team of Soldiers or Airmen trained to conduct vulnerability assessments of critical infrastructure in order to prepare and plan emergency mission response in the event of a terrorist attack or natural disaster. This program is designed to execute the pre-planning needed for emergency response; to educate civilian agencies on basic force protection; to develop relationships between emergency responders, owners of critical infrastructure and National Guard planners in the states; and deploy traditional National Guard forces in a timely fashion to protect that infrastructure. In developing this concept, the Guard Bureau has worked with the office of the Assistant Secretary of Defense for Homeland Defense to establish policies and standards. During 2004, we plan to have six of these teams trained to conduct vulnerability assessments. Through this initiative, the National Guard continues its time-honored tradition of being prepared to respond at a moment's notice in defense of America.

Weapons of Mass Destruction Civil Support Teams

The National Guard continues to strengthen its ability to respond to chemical, biological, radiological, nuclear, and high-yield explosive events. Since September 11, 2001, the existing thirty-two teams have been fully engaged in planning, training and operations in support of state and local emergency responders. Civil Support Teams are designed to provide specialized expertise and technical assistance to an incident commander by identifying chemical, biological, radiological, or nuclear substances; assessing the situation; advising the commander on potential courses of action; and assisting with cutting-edge technology and expertise. Operationally, these teams are under the command and control of the governors through their respective Adjutants General in a U.S.C. Title 32 status. The National Guard Bureau provides logistical support, standardized operational procedures, and operational coordination to facilitate the employment of the teams and to ensure back-up capability to states currently without a team.

During fiscal year 2003, teams responded to seventy-four requests for support from civil authorities for actual or potential incidents. Teams from Texas, Louisiana, Oklahoma, Arkansas, and New Mexico also provided valuable support in response to the Columbia space shuttle disaster during February 2003.

In accordance with Congressional and Defense Department direction, the National Guard will add twenty-three new teams, beginning with twelve in 2004, so that each state, territory, and the District of Columbia will have at least one team. Another four teams will be added in 2005, with four more in 2006, and the remaining three in 2007.

In order to continue to be the best possible resource to the emergency responders they assist, it is vital that these teams continue to be equipped with state-of-the-

art technology and trained to the highest possible level. To accomplish this, the teams must remain a high priority for resourcing at all levels of the Department of Defense.

Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive Enhanced Response Force Package

After the terrorist events of September 11th, the protection of personnel and resources has greater urgency and the potential for response to civil authority is greater than ever. Local, state and federal agencies are applying tremendous resources to improve their Weapons of Mass Destruction response capabilities. To enhance the National Guard capability, the National Guard Bureau has developed an initiative to equip and train units in twelve states to provide a Chemical, Biological, Radiological, Nuclear, and High-Yield Explosive regional response. This force will augment the Civil Support Teams and will provide emergency responders with a follow-on, task force-oriented structure that will help secure the incident site, support mass casualty decontamination operations in or near contaminated environments, and provide for casualty search and extraction. Included in this response force package is platoon-sized security, medical, decontamination, and technical search and extraction teams. These personnel are expected to respond to an incident on short notice in either state active duty or U.S.C. Title 32 status. The new teams are expected to be trained and ready to respond by October 2004.

Intelligence for Homeland Security

During the 2003 transformation to a joint staff structure, the Guard Bureau broke new ground by organizing for the first time in its history an Intelligence Directorate. The draft mission statement designates the directorate as the primary advisor to the Chief, National Guard Bureau, Deputy Chiefs, and the Adjutants General of the fifty-four states and territories for all intelligence-related matters. With the focus on improving threat awareness for the Guard's Homeland Security mission, the immediate goal has been to efficiently maximize information-sharing between the Guard and Defense Department, the combatant commands, particularly U.S. Northern Command and U.S. Pacific Command, the Department of Homeland Security, and national-level intelligence agencies. Concurrently, this new directorate is taking the lead in establishing a common operating system for intelligence that will provide a standardized intelligence picture that gives each participant the same level of situational awareness and allows sharing of information and intelligence across a single system, thus aiding the decision-making process.

TRANSFORMATION FOR THE 21ST CENTURY

Transformation to a Joint National Guard Bureau

In May 2003, the Chief, National Guard Bureau, announced his vision to transform the Bureau into a Joint National Guard Bureau that encompasses both its federal and state missions. In July 2003, the Chief provisionally organized the Bureau's manpower resources into a joint staff.

In late July 2003, the Office of the Secretary of Defense recognized the changing roles of the National Guard, both in its federal and state relationship, and indicated support of the Bureau as the national strategic focal point for National Guard matters. Secretary of Defense Rumsfeld further suggested greater ties with his office, the Joint Staff, and the Departments of the Army and Air Force in support of combatant commanders. The Secretary encouraged the development of proposals to forge a new relationship, one which would improve his office's access to National Guard capabilities and improve the ability of the National Guard to operate in the joint environment and other military matters. The primary interest for the Chief, National Guard Bureau is the Area of Responsibility of all combatant commanders whose plans include or affect, or will likely include or affect, federalized or non-federalized National Guard units or personnel. As such, the Bureau supports U.S. Northern Command, U.S. Pacific Command, U.S. Strategic Command, and the states and territories in developing military strategy and contingency plans for homeland defense and civil support operations. It further supports all of the combatant commanders in developing joint operational requirements for Theater Security Cooperation, and War and Contingency Plans.

The Bureau is recommending its recognition, in both law and policy, as a joint activity of the Department of Defense, as well as a joint bureau of the Departments of the Army and the Air Force, with both joint and Service responsibilities. This joint initiative is projected to achieve full operational capability and validation from the Secretary of Defense and the Joint Staff by fiscal year 2005.

Joint Force Headquarters, State

On October 1, 2003, the Chief approved provisional operation of the Joint Force Headquarters in each of the fifty-four states, territories, and the District of Columbia. Transformation of the previously separate Air and Army National Guard Headquarters will continue through fiscal year 2006.

The Joint Force Headquarters of each state, territory, Puerto Rico and the District of Columbia exercises command and/or control over all assigned, attached or operationally aligned forces. It acts as a standing, deployed joint force headquarters, within the geographic confines of the state/territory/commonwealth or district; it provides situational awareness of developing or on-going emergencies and activities to federal and state authority. As ordered, the Joint Force Headquarters, State provides trained and equipped forces and capabilities to the services and the Combatant Commanders for federal missions. The Joint Force Headquarters, State supports civil authority with capabilities and forces for homeland security and/or domestic emergencies.

The Bureau is working to obtain Joint Staff approval for integration of this headquarters organization into the joint manpower process, specifically through submission of a Joint Table of Distribution, along with supporting documentation, by September 30, 2004.

Joint Professional Military Education

Joint Professional Military Education is the key to integrating the staffs of the fifty-four newly-created and the National Guard Joint Staff with the rest of the Defense Department. Credit for performance of joint duty is also a key factor in determining promotions in the active component, and increasingly within the reserve components as well. For this reason, in order to make the Bureau competitive with other joint duty assignments, ceilings for Joint Specialty Officer billets must be raised and billets must be allotted to the Guard. Guard officers also need increased access to resident Phase 2 Joint Professional Military Education. We are actively working with the Joint Staff in the Pentagon to explore ways of using the Guard's extensive Distance Learning facilities to expand Joint Professional Military Education opportunities to members of the military, regardless of service or component.

Reserve Joint Staff Duty at National Guard Bureau

One of the Chief's early initiatives while meeting with the other reserve component chiefs was to obtain input and support for exchanging officers to serve on each other's staffs. This added capability is intended to assist in planning for the homeland security mission by sharing at an early stage a better understanding of the roles and specific security missions assigned to each component. For the first time in its 100-year history, Navy and Marine Corps Reserve officers are now serving as part of the Bureau staff, and Guard officers, in turn, have been assigned to their staffs. Similar exchanges are planned with the Coast Guard Reserve. These pioneers in the reserve joint staff arena are field grade officers currently assigned to the Operations and Plans and Policy equivalent directorates for a two-year period.

Joint Continental U.S. Communications Support Enterprise

Under Section 10501(b), U.S.C. Title 10, one of the purposes of the National Guard Bureau is "the channel of communications on all matters pertaining to the National Guard, the Army National Guard of the United States, and the Air National Guard of the United States, between the Department of the Army and the Department of the Air Force, and the several states." Therefore, an obvious role for the National Guard is to provide an interface for communications between federal and state agencies with regard to incidents involving homeland security. There is a requirement for U.S. Northern Command, as well as other federal agencies, to have "continuous situational awareness" of incidents occurring in the states related to homeland security and the associated activities of the National Guard while acting under the states' control.

To meet these requirements, the Bureau has established a communications enterprise concept that meets the new homeland defense challenges and leverages the advantages of the National Guard's constitutional dual status under the state and federal governments. The proposed communications enterprise is the state-federal network connectivity concept named the Joint Continental United States Communications Support Enterprise.

This enterprise will involve national level management and integration by the Bureau of long haul, tactical, and other service capabilities to provide U.S. Northern Command, Pacific Command and the Joint Force Headquarters, State with connectivity to and through state networks to an incident site. The enterprise includes the establishment of a National Guard Bureau Joint Operations Center; a

state joint headquarters communications element; net-centric connectivity state-to-state; vertical connectivity to incident sites, including a wireless capability; and a National Guard Homeland Security Communications Capability.

In 2003, the Bureau took the first step by establishing a Joint Operations Center, and the Standing Joint Force Headquarters in each state are in the process of establishing a dedicated communications element. Planning and resourcing for the remaining program phases are ongoing.

National Guard Enterprise Information Technology Initiatives

The National Guard continues to move aggressively in using information technology to support our warfighters and our missions at all levels, including Homeland Security and Homeland Defense. These initiatives are being implemented with an approach that is geared towards the National Guard Enterprise. Some examples of these initiatives from the past year include using Guard telecommunications resources, specifically distributed learning classrooms and video teleconferencing assets, to link Civil Support Teams in thirteen states. These resources have been used to provide critical pre-deployment support for warfighters and their families. For example, at Indiana's Camp Atterbury mobilization site, readiness training was conducted for Soldiers during the day, and in the evenings, a "Cyber Café" was established where Soldiers checked e-mail and military accounts, took care of personal matters, and communicated with family members. During March and April 2003, nearly 10,000 Soldiers logged more than 327,000 minutes at this facility, providing substantial training efficiencies, but just as importantly, it was a great boost to Soldier and family morale. These same assets are currently being used throughout the organization to facilitate command and control for readiness of operating forces at levels never before available. Other examples are spread across the country, where Guardsmen are using newly provided capabilities to improve efficiency, effectiveness and morale.

Another initiative is the development of the Virtual Mission Preparation capability. This is being used as a prototype to provide a web-based, portal technology that delivers the capability to portray real-time status of units and their overall mobilization readiness down to the individual Soldier level. It was developed in Pennsylvania in support of the 28th Division's rotation to Bosnia, and is now being applied to Operation Iraqi Freedom, and to the 56th Stryker Brigade of the Pennsylvania Army National Guard. Virtual Mission Preparation provides functionality that has application across the Army National Guard to improve deployability, as well as the capability to meet Army, Defense Department and emergency response mission requirements.

The Bureau, through initiatives managed by the Communications directorate and the Chief Information Officer, is ensuring that the vision of supporting the warfighter and transforming the Guard is supported through an approach that casts off the old lock-step, stove-pipe method to Information Technology and moves to a truly interconnected, net-centric information sharing capability.

Transforming the Mobilization and Demobilization Process

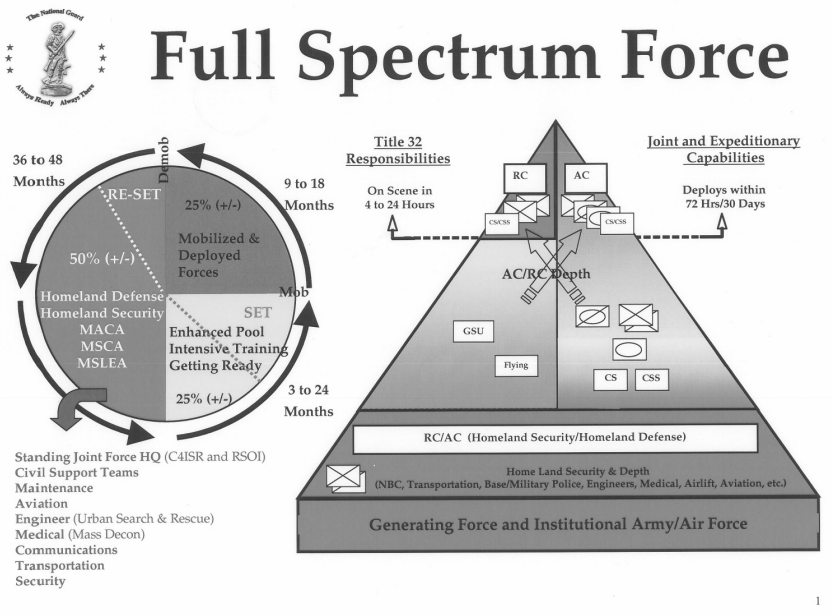
Today's global environment does not allow for the luxury of time that our current Cold War era-mobilization process requires. The modern, smaller, all volunteer military needs access to the reserve components within days or weeks—not months.

The U.S. Joint Forces Command was tasked by the Secretary of Defense to coordinate the development of a more agile and responsive process to mobilize units and individuals within the reserve components. As a result of this tasking, the command established "Tiger Teams" that consisted of subject matter experts from the reserve and active components, defense agencies, and the Joint Staff to study the mobilization process and make recommendations.

The Bureau fully participated in the workshops, endorsed the recommendations of these teams, and is working closely with the U.S. Joint Forces Command to improve the readiness and accessibility of the National Guard for its federal mission. In order for this to occur, the reserve components must be funded at a higher level of readiness and the mobilization process must be updated so that the efficiencies of automation and training during the course of the year can be capitalized upon.

The lead agency within the Bureau for this effort is the newly-organized Directorate of Logistics. They are the point of contact for all coordination and inquiries by the Office of the Secretary of Defense and combatant commands regarding logistical and mobilization matters as they relate to the National Guard. In the past, the Army and the Air National Guard had no Bureau-level counterpart to interface with the Office of the Secretary of Defense or with joint commands. The joint Directorate of Logistics fills this void and is designed to strengthen the interoperability of the Bureau with the other services and components.

In addition to spearheading our efforts to reform the mobilization and demobilization process, the directorate is an active member of a newly formed multi-government agency committee of senior logisticians that is chartered to develop a National Logistics Strategy to support the National Response Plan. The group is working with U.S. Northern Command to identify all logistics sources to support Homeland Defense and Homeland Security needs.



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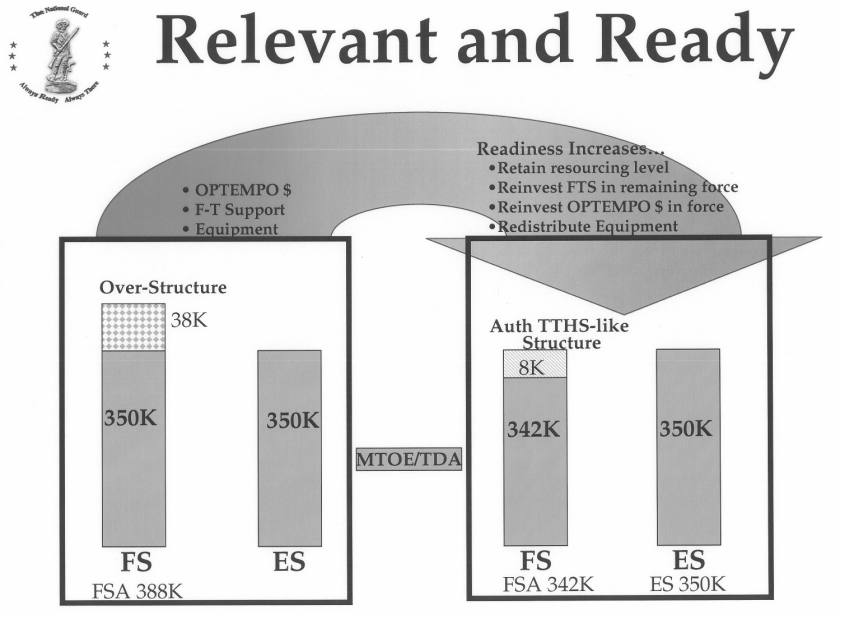

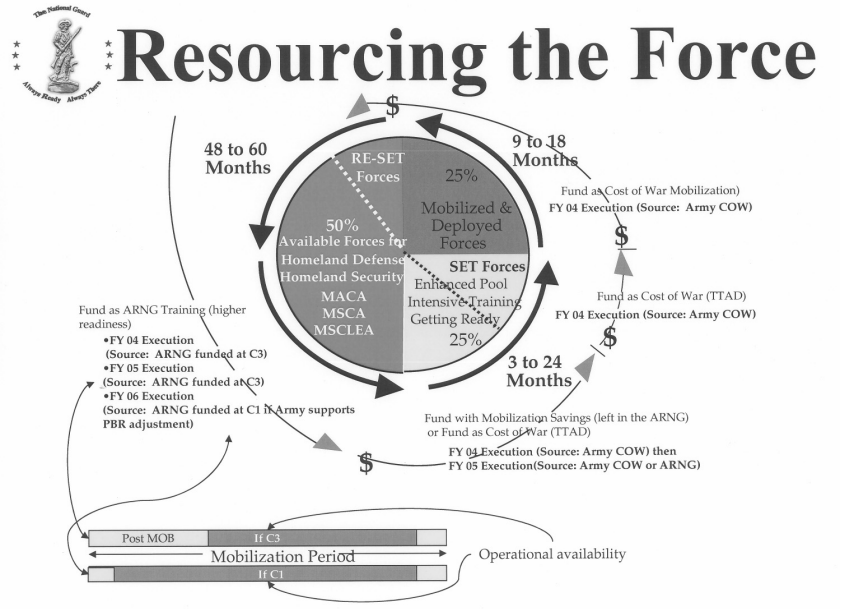

Senator STEVENS. General Schultz.

STATEMENT OF LIEUTENANT GENERAL ROGER C. SCHULTZ, DIRECTOR, ARMY NATIONAL GUARD

General SCHULTZ. Thanks, Mr. Chairman. I am honored to be before this committee.

As you think about our soldiers—you already mentioned the highlight—they make our units special. They make our units what they are, and collectively they develop our units' capabilities.

As we talk about the Army National Guard, today we have 94,000-plus soldiers currently deployed. We have already demobilized over 54,000 soldiers.

So, Mr. Chairman, our bottom line is readiness, and you have clearly helped us deliver what I am now talking about in highlight terms. Our posture statement gets at the detail, but I do want to reinforce a point that General Blum has already made and it has to do with Guard and Reserve equipment appropriation. That is a readiness-enhancing initiative for us, and I reinforce the importance of that.

Mr. Chairman, I know this is a 2005 hearing, but I need your help getting through 2004. I have enough total money. There will be a request coming to this committee for consideration of moving some money from personnel accounts to operations accounts. I will give you just a brief update of what is going on. With all the mobilization activity, we have, no doubt, changed our training plans from 1 October of last year. So I would ask favorable consideration to move some of our personnel accounts in a reprogramming action into the operations and maintenance accounts where I have clear need for some of our mobilization-related kinds of activity.

Mr. Chairman, thank you.

Senator STEVENS. We will look forward to that request and act promptly on it. I understand what you are after and we will work with you closely on that.

General James.

STATEMENT OF LIEUTENANT GENERAL DANIEL JAMES, III, DIRECTOR, AIR NATIONAL GUARD

General JAMES. Mr. Chairman and members of the committee, thank you on behalf of the more than 107,000 Air National Guard men and women. Thank you for this opportunity.

Before I give my remarks, I would like to introduce to the committee, if possible, Kentucky Air National Guardsman, Master Sergeant David Strasinger. Master Sergeant Strasinger is here with us today. He is a 20-year veteran. He has flown more than 1,000 sorties in his career. That is 2,500 hours of safe flying. He is a combat veteran of 30 combat missions in Operation Enduring Freedom. He has also participated in Iraqi Freedom and Noble Eagle. From the 123rd Operations Group, Master Sergeant David Strasinger.

Senator STEVENS. Sergeant, it is nice to see that A–2 jacket. That brings back lots of memories.

General JAMES. Well, Mr. Chairman, as you know, this has been an incredible year for our Nation and it has also been an incredible year for our Air National Guard. We have continued to participate in the global war on terrorism with pride and determination, and we have validated everything we have always said about our capabilities. We have trained to Air Force standards and accomplished the mission professionally as full partners in the total Air Force.

OPERATION IRAQI FREEDOM

Our contributions over the past 2 years since September 11th: we have mobilized over 36,000 members, flown over 100,000 flights for 340,000 hours. One-third of the Air Force aircraft in Operation Iraqi Freedom were from the Air National Guard. Today over 42,000 personnel, nearly 40 percent of the National Guard's force, is currently performing full-time duty.

RECRUITING AND RETENTION

We constantly monitor our recruiting and retention numbers, and I am very pleased to report that the trends so far are positive. We will and do expect to make our end strength for this year. Because we have retained more of our people, our recruiting goals are higher than need be. We have not recruited to those goals, but we will retain enough people to make our end strength.

We are currently working on a plan to posture the National Guard for the missions our Nation will need in the future. The plan, or Vanguard as I call it, is an examination of our current capabilities and those required for our future air and space force. We are already well into developing initiatives for establishing the units that are integrated with the active and reserve component in the Guard for the F/A–22 Raptor and the RQ–1 Predator remotely piloted vehicle. Both of these are groundbreaking opportunities for the Air Guard and we are excited about the prospect of being involved in these new missions and weapons systems.

C–17 AIRCRAFT

In December of 2003, the first C–17 aircraft was delivered to the 172nd Air lift Wing in Jackson, Mississippi, the first operational wing of its kind ever in the Air National Guard. The final aircraft will be delivered in May and will be named the Spirit of Sonny Montgomery in honor of Congressman Montgomery who has done so much for not only the National Guard, but for the Nation, the military, and its veterans. We look forward to that event and to the great things to come from this distinguished unit.

KC–135

The KC–135 tanker continues to be the backbone of our air bridge for combat operations across the world. Modernizing this aging fleet is critical to the Air National Guard, the Air Force, and combatant commanders. This committee has helped make and keep us relevant and is directly responsible for our ability to participate as full partners with the Air Force. Your exceptional support in providing the miscellaneous NGREA funds has been absolutely critical in enabling us to leverage our limited resources in an effort to bring needed capabilities to the warfighter. The procurement of such items as the Litening II targeting pod, upgrading the F–15 engines, and the situational awareness data link, or SADL, are some examples of how this appropriations has assisted us. We cannot thank you enough for your continued support of this very important program. With your help, I am certain that we will continue to be ready, reliable, and relevant and needed now and in the future.

I look forward to answering your questions. Thank you.

Senator STEVENS. Thank you, Generals.

TANKERS

General James, in November 2001, we suggested a leasing program to replace the KC–135's. Members of Congress and others outside of Congress have criticized our suggestion, but they have taken over 2½ years to review it and they have not come up with anything else. The first time any one of those KC–135's goes down and one of your people loses a life, I am going to take it to the floor and point it out. And each one of those people who are delaying that proposal are going to be responsible. Those tankers are now what? Forty-four years old on the average, General?

General JAMES. Yes, sir. I think the oldest is 47 years old.

Senator STEVENS. It is just impossible to believe that. As you say, the most critical portion of our operations today is the tanker. We are airborne for almost everything that is going on in Iraq and Afghanistan, and I cannot believe that this should be delayed by just petty foolishness. It is time for them to come up with a program and get it underway. It will take 3 years before it is initiated, and take 5 years before you get the replacement. Those tankers are going to be over 50 years old by the time they are replaced. That is criminal, absolutely criminal.

Senator, do you have any comments, questions?

Senator INOUYE. You have said everything I would have said, sir.

Senator STEVENS. I mean, it is your turn.

Senator INOUYE. Mr. Chairman, I would have said the same thing that you have said about the tanker. If we let this fester any longer, it would be criminal, and I would hate to be a witness to its first accident.

Is it okay to ask questions?

Senator STEVENS. It is your turn. Yes, sir. I used my time to blow off.

RECRUITING

Senator INOUYE. General Blum, the major concern that this committee has can be said in two words, retention and recruiting. What is your situation, sir?

General BLUM. Senator Inouye, speaking for the three of us at this front table, our major concern right now is readiness which translates directly to our ability to recruit and retain trained and ready citizen soldiers and airmen. My intuition would tell you that that would be very, very difficult in the situation and environment we find ourselves. However, in some cases, the successes that we are experiencing, is that our soldiers and airmen are reenlisting at very solid rates. They are staying with us. After they deploy to very unpleasant places around the world and put themselves in harm's way, they are staying with their formations, which brings a great sense of pride and satisfaction to the three of us at this table because our citizen soldiers and airmen are answering the call to colors and are remaining with us. This means we will have a veteran force of combat veterans which the Guard has not had since World War II. So in about 2 years, 8 out of 10 citizen-soldiers and citizen-airmen in our formations will have pulled a tour somewhere

around the world in harm's way and will be veterans of either a combat operation overseas in the away game or a homeland defense operation here at home. And that vast operational experience will make us an even more capable and ready force.

I hope those young men and women from the high school in Alaska are listening because we are getting non-prior service, first-term enlistments out of high schools and colleges at an unprecedented rate. We are doing very well and the quality of our young men and women coming in has never been better.

So the good news is we are making our end strength and we are maintaining our end strength now that we are almost 3 years into a shooting war that is very, very difficult and putting a strain on the force. But the trends seem to be holding. We do not take them for granted. We monitor it very closely. We are watching for any signs that this may fail, but so far the young men and women of our Nation are answering the call to colors.

Senator INOUYE. How would you describe the attitude of employers and families?

EMPLOYERS

General BLUM. Senator Inouye, as you well know, the National Guard is really very similar to a three-legged stool. One leg of that stool is the citizen soldier or airman. One is their family members, and the third leg, equally important, is the employer. So far the American employers have been standing with us.

What they have asked us for time and time again, either through contacting their elected officials or contacting the National Committee on Employer Support for the Guard and Reserve, or calling us directly, as happens in some of our outreach programs, they simply want predictability. When is my employee going to be called to active duty? How long will they be away? When will they return? And how frequently will they be called back? How soon again will I have to lose that employee?

So what we are doing is trying to set up a predictability model that will give employers, families, and the citizen soldiers and airmen a much greater picture further out. Right now we are out to about 18 months with predictability in the Air Guard and almost 24 months out with predictability in most of the larger formations in the Army National Guard. So this gives the soldier, the family, and their employer the predictability they have asked for.

And we are also, to aid this, our transformation, modularity and rebalancing efforts are trying to put a greater number of high-demand capabilities in our force so that we do not have to rotate the same units so frequently. We are aiming for about a 5- or 6-year recovery time from an extended overseas deployment.

READINESS

Senator INOUYE. In your response to the first question, you mentioned three R's: retention, recruiting, and readiness. How would you describe the readiness of the forces under your command?

General BLUM. Senator Inouye, the National Guard soldiers that have deployed most recently to Afghanistan and Iraq are among the best trained, best equipped, best prepared soldiers this Nation has ever sent out of any of its components. As a matter of fact, they

are probably the best trained, best equipped, and best prepared soldiers any nation has ever sent to war. So that pre-deployment part of it is superb.

But there are large parts of our force that are not ready because they were not resourced to be ready. Part of our rebalancing and restructuring of the National Guard will take us to a posture where we can apply increased resources to achieve enhanced readiness.

Senator INOUYE. Thank you very much. Thank you, Mr. Chairman.

Senator STEVENS. Thank you, Senator.

Senator Cochran.

Senator COCHRAN. Mr. Chairman, thank you.

C–17

General James, I wanted to thank you for coming to Jackson, Mississippi for the arrival of the first C–17 that is deployed there for the Air National Guard to operate and maintain. I hope you are as pleased as I am with the progress that is being made to train the pilots and the crews. I understand the plan is to ramp up to an increased level of flying once all of the crews are qualified in the C–17.

I am curious to know if your budget request contains the resources that are necessary in order to make this unit an active participant and to fully utilize these new assets.

General JAMES. Well, Senator, it was a great honor for me to be there and see that airplane roll down the runway and come in behind the grandstand with you and other colleagues, your colleagues from Mississippi.

I am very proud of the fact that the leadership of the 172nd remains engaged with us and Air Mobility Command (AMC) to make sure that the conversion goes smoothly. I just spoke with the Adjutant General yesterday about some plans to try to keep the airplanes flying and the training going on while still taking some pressure off of the air mobility assets that AMC has.

In terms of our budgeting, when you have a conversion like that that starts into the fiscal year, we agreed with the Adjutant General (TAG) and with the leadership of the 172nd to budget at 80 percent rather than 100 percent of the flying hours for this fiscal year that we are currently in. We are using the model that we talked about earlier that came over from the 141. Once we train the crews and get the crews up to speed and get everybody checked out, we intend to look at all the data that we get from this first year's experience and then make an adjustment there so that we gradually ramp up to what or hopefully near what the active component is flying in their C–17 programs.

Senator COCHRAN. I appreciate your leadership and your staying personally in touch with the needs of that unit.

General JAMES. Well, thank you, Senator. I have to tell you that the new TAG knows the airlift business, air mobility business very well and he does not hesitate to call me if he has got an issue.

Senator COCHRAN. General Schultz, we were talking before the hearing began about the fact that Camp Shelby in Mississippi has been designated as a mobilization center. I would like for you to let us know whether this means that we will need to appropriate

any additional funds beyond what is requested in the budget to ensure that that mission is carried out successfully.

General SCHULTZ. Currently, Senator, the 278 Cav Regimen from Tennessee will be mobilizing at Camp Shelby. Requirements for the installation of upgrades and various things will be processed through the Army. So right now today, I do not have a line item for you on what that requirement would be.

Senator COCHRAN. Up in Tupelo, Mississippi, we have a unit that had helicopters. It is an Army National Guard unit. Some of the pilots have been deployed to Iraq, as a matter of fact. These are Kiowa helicopter pilots. Maybe General Blum is the one to respond to this. The report from the soldiers up there was that no replacement aircraft had been identified. Maybe they have by the time this hearing is held, but I understand the Army National Guard aviation distribution plan will be announced soon.

Can you speak to this issue or give us any indication of what the plans are?

General SCHULTZ. Senator, I am working that plan personally. We will have 10 Kiowa Warriors, which is the aircraft that the unit had before we sent all the pilots off to active duty, to war. When we are done, there will be 8 Apaches in Tupelo plus the 10 Kiowa Warriors.

Now, we are going through, obviously, a transformation in the aviation community as well, so some of the numbers I am talking about will take a while to be rebuilt, redistributed, but the end state would be a 16-helicopter flight facility there.

I might also say, Senator, that I talked with the brigade commander from the 101st Air Assault Division, and the pilots we took from Tupelo were recognized as outstanding, skilled aviators indeed.

Senator COCHRAN. We appreciate that compliment. We have had a lot of National Guard and Reserve forces from our State deployed. As a matter of fact, I think two Army Reservists have been killed in Iraq, so we are fully aware of the dangers they face and we want to be sure that the equipment they have and the training that they receive will enable them to carry out their mission successfully and to return home safely as soon as possible. We appreciate your leadership in assuring that.

Thank you, Mr. Chairman.

Senator STEVENS. Thank you very much, sir.

Senator Leahy.

HEALTH INSURANCE

Senator LEAHY. Thank you, Mr. Chairman.

Last year the subcommittee recognized that almost 20 percent of the National Guard and Reserve did not have health insurance. We realized that this was damaging readiness. On the Iraq supplemental, we enacted legislation that allows unemployed members of the Guard to buy into the TRICARE program on a cost share basis, and we put that in the defense authorization bill. It was a bipartisan piece of legislation. But it has not been implemented. I joined my colleagues, Senators Graham and DeWine and Daschle, recently to write the Secretary of Defense to find out how we can

speed this up, stop slowing down this critical legislation. I would ask consent that my letter be part of the record, Mr. Chairman.

Senator STEVENS. Without objection.

[The letter follows:]

UNITED STATES SENATE,
Washington, DC, March 25, 2004.

The Honorable DONALD RUMSFELD,
Secretary, U.S. Department of Defense, The Pentagon, Washington, DC 20301.

DEAR MR. SECRETARY: We are writing to express our mounting frustration with the Defense Department's lethargic efforts to implement a pilot program to provide our reservists access to TRICARE.

As you know, in both the Fiscal Year 2004 National Defense Authorization Act (NDAA) and the Emergency Supplemental Appropriations Act, Congress voted to expand reservists' access to TRICARE for one year. This legislation contained seven TRICARE-related provisions, ranging from medical and dental screening for reservists alerted for mobilization, to an extension of TRICARE eligibility before and after mobilization periods.

We were pleased last week to see that the Defense Department has finally implemented the provisions to extend the post-mobilization TRICARE benefit to 180 days. But the same announcement said that implementation of a critical component of the TRICARE benefit—offering coverage to those without employer-provided health care—"cannot be completed for several months." We are very disturbed by the delay in the department's implementation of this key provision.

We are also concerned that transitional benefits will not provide access to TRICARE Prime Remote. Many reservists, and perhaps most, live beyond a 50-mile radius of a military treatment facility and thus would be forced into TRICARE Standard. This plan charges a substantial annual deductible as well as copayments for every visit. This is not the transitional benefit that Congress sought to create.

In recent days, the Administration has indicated that it supports improving health care benefits for our reservists. We applaud that decision and ask that you work with us, both to implement the existing one-year program and enact our proposal to provide reservists and their families permanent access to TRICARE.

Sincerely,

MIKE DEWINE,
TOM DASCHLE,
LINDSEY O. GRAHAM,
PATRICK LEAHY,
Members of the Senate.

Senator LEAHY. General Blum, can you tell me why this has not been put into place yet? I would think there would be some urgency on this.

General BLUM. Senator Leahy, there is definitely urgency on our part. We place nothing at a higher priority than taking care of our soldiers, our airmen, and their families. I do not view this TRICARE initiative or this health care initiative as an entitlement program. I really view it as a medical readiness enhancement. I too am anxiously awaiting the implementing instructions from the Department of Defense on how we are going to move forward in this area.

Senator LEAHY. Well, please pass the word back that an awful lot of us up here from both parties—this is not a partisan issue, and you certainly have not made it one—who are very, very concerned. As we call up more and more of our Guard and Reserves, we would like this TRICARE implemented. If they keep delaying it at the Pentagon, I think it is going to hurt your readiness. It is certainly going to hurt retention. I know you and I have had a lot of discussions and I know how concerned you are.

We added, in this subcommittee, about $200 million divided almost equally between the Air and Army National Guard to increase equipment procurement. We also gave the Air and Army

Guard a lot of discretion, an enormous amount of discretion in managing the account. I have received an update on how you used the funds. It appears you put them toward an urgent need like up-armored high mobility multi-purpose wheeled vehicle (HMMWV), M–4 carbines, combat identification friend or foe systems. Do you still have an equipment backlog and what are some of the most urgent needs?

EQUIPMENT BACKLOG

General BLUM. Yes, Senator, we always will have an equipment backlog as technology changes and as the requirements change on the battlefield. General James has an equipments needs list as does General Schultz. These are not wants; these are needs. Frankly, the Army and the Air Force are making every effort to finally make an honest effort to equip us like our active counterparts, but they too are going to fall short. We will welcome any assistance that we could get in that regard against our needs list, and those needs directly equate to readiness. If you want some detail on that, General Schultz can share that on the Army Guard side and General James can give you the detail, sir, for the Air Guard.

Senator LEAHY. General Schultz.

General SCHULTZ. Senator, in the case of the Army Guard, we bought trucks, machine guns, night vision devices, and radios. The equipment I am talking about now is as a result of Congress' action last year. It will be realized in the form of units going to the third rotation of Operation Iraqi Freedom (OIF)-3. In other words, we are buying new equipment and furnishing this equipment to units that are about to go to war. That is how critical this function is. We are still short the very things that I have just talked about as we now alert and mobilize follow-on units.

Senator LEAHY. General James.

General JAMES. Yes, Senator. In terms of fiscal year 2004, we have utilized those resources I mentioned in my opening remarks on targeting pods, engine upgrades, everything from night vision goggles to helmet-mounted cuing systems and large aircraft infrared countermeasures which is something we continue to press for. We have a large fleet of large airplanes and I really am concerned about their ability to protect themselves against infrared man-launched shoulder-mounted weapons in theater in particular.

LARGE AIRCRAFT INFRARED COUNTERMEASURES

As far as the unfunded areas, the top five for us for this coming fiscal year would be again the targeting pods, depot maintenance shortfalls, weapons of mass destruction equipment and training, primarily training. Again, the LAIRCM, the large aircraft infrared countermeasures, and the F–15, F–16 engines.

Senator LEAHY. Thank you.

I will submit my other questions for the record, if I might.

Senator STEVENS. Thank you very much, Senator. I will remind members that we do have a second panel.

Senator Burns.

Senator BURNS. Thank you very much, Mr. Chairman.

Each time I go home, I am just standing in marvel of what we have accomplished in the last 3 years as far as upgrading our Reserves and our National Guard in our home States.

A decision was made some 10 or 11 years ago that part of our overall military force structure was going to be moved to the ranks of the National Guard and Reserves. It became apparent to me that when you look at the infrastructure in our particular States, our infrastructure was not ready to really train hard and to have the facilities, the infrastructure to complete that mission.

So in my State, I went to work trying to fix that because we were operating out of facilities that were built in World War II. Our communications and our ability to teach interactively and distance learning and everything that we had to do was woefully way behind the state of the art. But now we have done that.

TRAINING RANGES

I just want to mention to you, General James, about a training tool that we use in Montana at the 120th wing there on the Litening II advance targeting pods. I keep hearing my people talk about them. They have probably been the most useful thing. As you know, we ran out of ranges, places to train, air space in which to train. By the way, if any of you all want some air space, you know the sky is bigger in Montana. We have got room for you and we are willing to host you. I just thought that I would throw that out there.

Senator STEVENS. The sky is only bigger in Montana if you are lying on your back.

Senator BURNS. I am not going to go there.

LITENING II TARGETING PODS

Could you bring us up to date on the Litening II targeting pods, if you would please, your requirements? Give us some idea of the cost of the program because it appears to me these will become a very, very economical way to train our pilots. Can you bring us up to date on that and tell us more about them? Because I do not think a lot of people know a lot about them.

General JAMES. Well, the Litening II targeting pod was, I would say, the piece of equipment that got us involved in the last few contingencies. The warfighters, the combatant commanders, want precision-guided munitions capability that can be delivered very accurately. My predecessor pursued this strategy to acquire the Litening II and they used the NGREA funds to do so. That capability allowed us to be involved in the last two to three contingencies, especially Iraqi Freedom and Enduring Freedom.

SNIPER POD

I have a list of different numbers here that I can pass on to the staff, but what I would say to you is our philosophy is that there is another pod that has come forward. It is called a Sniper pod and it is produced by another corporation. It was a little delayed getting into production but now they are starting to produce this pod, and it is supposed to be the Cadillac of all pods.

We still are procuring our Litening II pods and we have developed a two-pod procurement philosophy. In other words, we will continue to procure some Litening pods, but we will also procure the Sniper pod as it becomes more and more available.

Senator BURNS. Well, I congratulate on that.

General Schultz, we are trying to update our 155's in Montana. Can you give us an update? Is that possible? We want to go to the lighter weight Howitzers up there. Is that possible? What plans do you have for us on those 155's?

General SCHULTZ. Senator, I owe you a complete answer for the record. We are going through those reviews right now. We had some 155's in our long-range program. Some of those numbers have changed, and I will give you a full lay down and a detailed description of just how we are doing there. It is possible to do what you are describing.

Senator BURNS. Thank you very much.

[The information follows:]

FIELDING OF LIGHTER WEIGHT HOWITZERS FOR MONTANA ARMY NATIONAL GUARD

No force structure decisions have been made with respect to the unit level of detail for the fielding of LW 155 equipped Army National Guard Field Artillery units. Montana is part of a two-state coalition that is attempting to go after a congressional add for the LW 155 Howitzer. Montana Army National Guard is not currently on any fielding schedule for the LW 155.

Senator BURNS. I have some more questions. I will offer them in writing, Mr. Chairman. Again, I want to congratulate the leadership because I think you have been visionary because we know we are not just a weekend Boy Scout camp anymore. We are there to do business. You have caught the imagination of a lot of young people. They are staying with you to somewhat of a surprise because we hear a little rhetorical going on every now and again, but for the most part, they are very, very optimistic and they are doing a great job. I thank the Chairman.

Senator STEVENS. Thank you.

Senator Dorgan.

Senator DORGAN. Mr. Chairman, thank you very much.

First of all, let me thank all of you for your service and for what the men and women under your command do for this country.

General Schultz, this weekend a member of the 142nd battalion that just returned from Iraq told us that they did not have enough sets of body armor. The young man indicated that when one soldier came back from patrol in Iraq, he took off his body armor and gave it to the next soldier going on patrol. Can you give me any information about what is the supply of body armor? Is there sufficient body armor in Iraq at this point?

General SCHULTZ. Senator, the condition you described early on in the first rotation of Operation Iraqi Freedom was no doubt exactly as the soldier outlined it to you. The Army has (OIF–1) been working hard on the distribution of the body armor. In Afghanistan and Iraq, there are adequate quantities of the inventory. We followed the 142nd battalion and they performed a significant portion of their mission without every soldier having the full-up body armor issued. That is correct. That has since been adjusted in theater, though. So we have taken the action that he outlined the concern for.

Senator DORGAN. I will ask him more about that later, but the question is how much is in the country relative to the number of soldiers in the country.

BASE REALIGNMENT AND CLOSURE (BRAC)

Let me ask you a question about BRAC. What will be the role of the three of you with respect to making recommendations to the Defense Secretary? My understanding is that only a handful of Air Guard and Air Force Reserve facilities were evaluated, General James, in the 1995 BRAC round. My understanding is that this BRAC round intends to look at all facilities of the Guard and Reserve. Is that correct, or am I wrong about that?

General SCHULTZ. Senator, if I could. In terms of the Army Guard, all our facilities fall below the threshold that BRAC considers. What I have said, though—and I encourage Adjutants General to do the same thing here—is we ought to volunteer to be considered for the survey, for the review, for the analysis. And then States would participate on a voluntary kind of basis for a site by site and a reconfiguration and redesign, et cetera. So there are aspects of the BRAC program I think we ought to take a serious look at and see the value-added or the advantage of what BRAC might bring us. So I have said do not just discount the BRAC benefits by saying nothing qualifies in the Army Guard.

What I am saying is we ought to take a serious look at facilities that could be joint, facilities that may have qualities where we can just simply share costs with other services. Now, that will not apply to every kind of armory across the country, but it might to some. So that is what I have encouraged States to do.

Senator DORGAN. General James.

General JAMES. We will be full participants in the BRAC. We are already working with the committees from the Office of the Secretary of Defense (OSD) all the way to the Air Force committees. The Air National Guard will be full participants in having an input into BRAC. To answer your questions, are all installations being looked at for BRAC, my understanding is yes, all installations will be looked at.

Senator DORGAN. And that is a change from 1995. Is that not correct?

General JAMES. Correct.

Senator DORGAN. If all of your units are full participants, what role will you have in making recommendations to the Secretary? I think I understand what role the other service chiefs have, but what role will you have?

General JAMES. We are involved with the Air Force. We participate through the Air Force and then on to the Department of Defense (DOD). My deputy, Brigadier General David Brubaker, sits on the committee that represents the Air National Guard and makes our inputs.

Senator DORGAN. So you will participate through the Air Force Chief.

I mean, there is a difference between regular Air Force and Air Guard because in the regular Air Force, you can close a base and move your troops. That is not necessarily the case with the Guard. Is that right?

General JAMES. That is our challenge. We cannot cut Permanent Change of Station (PCS) orders and just move our folks. We have to come up with a program whereby we can re-roll or integrate these forces into possibly a facility that is close by that is an active duty facility. Under the Vanguard concept, we are looking at those types of formations and those types of units whereby we have integrated Air National Guard and active duty. That does not work in every case as you look at the demographics and how we are spread out. In some places, that lends itself very well, in the large airplane community, for example, along the east and west coast where we have facilities that have the air mobility assets. But when you look at the heartland and your State and other States where you have fighter units spread out throughout the United States, you have to look very carefully. There is potential because you do have a large tanker base north of you, but all of this has to be taken into consideration.

One of the things we are doing is we are asking for inputs from the States through the adjutants general for how they would do it if they were forced to remission or move.

Senator DORGAN. Finally, General Schultz, in the Guard you recruit not just a soldier but their family because it is a citizen soldier and their family plays a significant role in this. I listened closely to your answer about retention and recruitment. I think it is critical to take a hard look and a close look at that because often what we are getting from families after long deployments is word that they are concerned about that. So one would expect there to be some concern showing up in recruitment and retention. I am really pleased to hear your report that it is not, but I think that your suggestion that you need to follow that very closely is an important one at this point.

General SCHULTZ. We watch it very closely, Senator.

Senator DORGAN. I hope that those men and women who serve under you understand the gratitude of this committee and that this country is grateful for their service.

Mr. Chairman, thank you.

Senator STEVENS. Senator Domenici.

Senator DOMENICI. Thank you, Mr. Chairman. I had a series of four questions. I will try to get them in. If I do not, I will submit them.

IRAQ

Let me ask all of you. It would seem to this Senator that you must have had to change the activity expected from some of your units and some of the preparation in order to be used in this war in Iraq. When you hear of Reserves and National Guard units over there, you frequently hear that they are doing things that the regular Air Force is not doing and the regular Army is not doing. But could you tell me, when you say we are sending the best equipped, best trained people, what are you sending them over there to do? What are they principally involved in doing in Iraq?

General BLUM. Senator, I have been to Afghanistan and Iraq three times. I will be going there again in the next 2 weeks. I have been for each and every rotation, and I can assure you that the first rotation was not a pretty picture. They did not go over there

as well-equipped as we currently are doing. They were trained and they were ready, but they were not equipped, and that has been brought up by several of the other Senators. They are absolutely correct. Those issues have been corrected. The United States Army, General Pete Schoomaker has moved lots and lots of effort and money to making us the best equipped, best trained, best prepared force that has ever been deployed, and I mean that sincerely, bar none, in the history of this Nation. The group that is over there now, the 30th, the 39th, the 81st, and the 116th, the 278th, 256th, and the 42nd that are getting ready to go will be the best equipped and trained and superbly ready force we have ever sent.

What they do is what the combatant commander needs them to do on a given day because this is not a training exercise. This is a war where an enemy has a vote, and unfortunately, he votes often and differently each time, and we have to make those adjustments.

The performance of the citizen soldier and airmen that have been sent overseas has been nothing short of outstanding, superb. They have not failed in anything they have been asked to do. They can perform at the same rate or better than their active duty counterparts because of their civilian-acquired skills and some of their maturity and education levels are a little bit higher.

Senator DOMENICI. General, let me interrupt. I understand your answer and I appreciate it.

It seems to me when you talk about the success rate at keeping these people in that somebody like me wonders are they staying in expecting to be overseas or are a lot of them expecting to be part of a mission that does not take them overseas?

General BLUM. Sir, in the last 3 years no one has come into the National Guard because they think they are coming in strictly for a college education or military vocational training. They know they are going to have to answer the call to colors. They know they are going to be serving, defending this Nation either here at home or abroad, and maybe both. In fact, some of the people on the panel have done all three. They are staying with us because they feel what they are doing is vitally important to the survival of this Nation and our way of life and our liberties. I thank God every night that we have young citizens in this country that are willing to do that. When you remember that we are now in our 30th year of no draft, all volunteer, all recruited force and being tested for the first time in the crucible of war, this young generation is standing up to that test and getting high marks.

Senator DOMENICI. Thank you very much.

I want to just say I had three questions and I am just going to outline them. One has to do with a lot of families in rural areas. New Mexico is a very rural State. The families do not know their benefits, do not know what they are supposed to get, do not know what they are entitled to, and they are not in Albuquerque. They are off in some little rural area. Could there be some kind of centralized office that could provide Guard and Reserve families with information regarding what they are entitled to, or is that being done in your opinion?

General BLUM. Sir, we have over 400 centers called Family Assistance Centers where any member of the Army National Guard,

Air National Guard, or any of the other services, whether reserve or active, can contact that unit armory and speak with a trained representative who can tell them all of their benefits and direct them almost as an ombudsman to solve their problems. That is what they are there for. They are funded and they are established and they are trained to take care of the families of soldiers, sailors, airmen, and marines who happen to live in a ZIP code where there is no major military installation to help them.

Senator DOMENICI. So if we are receiving complaints about that, what we ought to do is have them check where their closest center is, and if there are not any, we ought to complain to you.

General BLUM. Absolutely. In your case, sir, I would direct them right to see General Montoya and have him direct them to the local closest Army National Guard or readiness facility that could support their efforts.

BLENDED UNITS

Senator DOMENICI. My last one has to do with blended units. We understand that the National Guard unit in California and an active duty Air Force squadron in Nevada recently formed what they called a blended wing for the operation of Predator unattended aerial vehicles (UAV). How is this concept working? And do you see an increased role for the Guard in operating UAV's for the border? And do you and the Air Force plan to expand the number of blended wings? If so, for what purpose?

General BLUM. I personally think it is the way of the future. I think it makes sense for the American taxpayer to leverage the Department of Defense's capabilities by getting the synergy of the active, the Reserve, and the Guard components. That unit that you talk about is an Air Force Reserve unit, an active Air Force unit, and two Air National Guard units that make up that unit. We call that an integrated unit because it is fully integrated. All three components comprise that unit and I think that makes great sense as we move into the future and we use our Guard and Reserve as an operational force, not a strategic Reserve.

Senator DOMENICI. Could I have one more, Mr. Chairman?

Senator STEVENS. Yes, sir.

Senator DOMENICI. In New Mexico, it seems like a restructuring is taking place. The National Guard leadership is developing a plan and an organization to convert much of what we have got there from air defense to infantry military police and other units. Is this in line with what you want, and do these kind of missions reflect a larger plan for building the National Guard for the future, reflecting perhaps a change of needs?

General BLUM. Senator, I applaud those efforts being taken by the joint force headquarters in New Mexico. It is exactly the right thing to do. They are divesting themselves of units that are no longer needed for current and future threats and moving it to areas to develop capabilities that that State will need and our Nation will need from its National Guard forces in New Mexico. General Montoya is doing exactly, in my judgment, the right thing at the right time.

Senator DOMENICI. Thank you. Thank you, Mr. Chairman.

Senator STEVENS. Thank you, gentlemen. I have only one question and that is this. When we were in Iraq, we pursued to a great extent the question of the dumps of ammunition and ordnance that exist all over that country. We were told there are from 1,000 to 7,000 of those dumps in that country and that the current deployment is not sufficient to guard them. They represent a massive amount of weapons of destruction. We have been looking for weapons of mass destruction. This is a massive amount of weapons of destruction. It appears that some of them were taken out, tied together, and blew up an Abrams tank and others have been used as mines in the roads.

I do not want your response, but I would like you to go back to your offices and take a look at that and see what would it take to send over a force designed for one purpose and that is to gather up that ordnance, either destroy it or drop it in the ocean or do something with it because it is going to be consistently used to harm our American personnel if we do not do something about it. We are asking the Department to look at it too, and I intend to go further on it before the year is over. But I do think it is going to take a special force of people that would be trained to know how to deal with that ordnance and to move it somewhere, at least get it to where we can guard it. Currently very few of those dumps are guarded. So I appreciate your response if you would get it to me.

ADDITIONAL COMMITTEE QUESTIONS

I also have some questions I will submit for the record, as did several members of this committee.

I want to thank you all again and tell you what a wonderful job we know your people are doing. I have said before Senator Inouye and I were supposed to be part of the greatest generation. We spawned a greater generation. These young people are just fantastic people. I have never met anybody like those people who are over there, and that includes the ones that are in the hospital. They are just fantastic. Thank you all very much, gentlemen.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL H. STEVEN BLUM

QUESTION SUBMITTED BY SENATOR DANIEL K. INOUYE

Question. One of my constituents, Atlantis Cyberspace, Inc. has developed what seems to be an extremely flexible Immersive Group Simulation system capable of providing superb training opportunities for Reserve component forces. Their basic solution provides four virtual reality pods, a live virtual camera system, a mission control instructor-operator station, training scenarios based on situations and graphics developed for "America's Army", a full runtime license, and set-up and installation. That basic system can be easily expanded from four to up to 32 pods and has additional options including expanded After Action Review stations, wireless or customized weapons, and force feedback vests that record opposing force hits. This existing flexibility allows realistic training for a range of needs: from small special operations teams up to platoon-sized conventional units. The scenarios can be modified to train specific tactics, techniques and procedures or to conduct mission rehearsals, in fact I understand that Atlantis Cyberspace has recently been asked to submit a proposal for a modification of their basic system to allow tactical convoy training in a virtual environment. The pods can be linked from different locations to allow individuals to train together while physically separated and the system is

sufficiently compact to allow its deployment in austere locations or small training spaces.

Atlantis Cyberspace has had some initial contact with the National Guard, but I am interested in your assessment of the training opportunities offered by their Immersive Group Simulation. Could you please have the appropriate members of the Bureau look at the system and provide me your thoughts on the utility of the system?

Answer. We are aware of the system and have had contact with Cyberspace but have not as yet completed a full assessment of its applicability to Army National Guard Training. Once a complete assessment is completed, we will forward a copy of the review to you.

QUESTION SUBMITTED BY SENATOR PATRICK J. LEAHY

HOMELAND SECURITY

Question. General Blum, The past has shown that there are times when it is necessary to have access to military equipment and personnel to perform certain functions in a state and local setting. We have made provisions in previous years to allow National Guard members to perform certain missions such as counter-drug and weapons of mass destruction civil support in a separate status that would not violate posse comitatus. Do you feel that domestic operational use of National Guardsmen in a title 32 status would aid in providing the necessary flexibility for our states to respond to domestic emergencies such as unprovoked terrorist attacks?

Answer. Providing clear authority for the National Guard to perform operations—in addition to training—under Title 32 would significantly strengthen the flexibility for addressing domestic missions. As you state, the counter-drug activities and weapons of mass destruction/civil support team operations have been quite successful. I would also add that the airport security mission and the recent mission in support of the G8 conference and similar major events have also demonstrated the wisdom of having National Guardsmen perform operational type missions while remaining under the command and control of states. One of the major benefits, as you point out, is the resulting ability of National Guardsmen to assist in both federal and state law enforcement free from the restrictions of posse comitatus.

Also, important, is the great speed and agility inherent in Title 32 operations. Because National Guard troops are already under the command of their state Adjutants General they can very rapidly be called to duty and, likewise, can easily be released from duty. No cumbersome federal mobilization and deployment process is needed.

For this reason, I would urge that any amendment of Title 32 to provide operational authority do so in such a manner as to minimize the number and types of administrative prerequisites which might slow down the process and thereby destroy the speed and flexibility which are among the most important characteristics of Title 32 operations in the first place.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL ROGER C. SCHULTZ

QUESTIONS SUBMITTED BY SENATOR CONRAD BURNS

HOMELAND SECURITY

Question. What is your plan for the procurement of more M777, Lightweight 155-millimeter howitzers (LW155) for the Army National Guard?

Answer. Money previously programmed to field all six battalions in the Army National Guard has been reprogrammed to fund the Army's Stryker brigades and leaving the Army National Guard with an unfunded requirement of four battalions—two-thirds—of the Army National Guard's total requirement for LW155 corps battalions. A battalion set of LW155 costs $35 million, which includes howitzers equipped with the digitization package, initial spares, new equipment training and LW155 unique associated items of equipment and test sets.

Question. I am interested in your plans for the expansion of the force structure of unmanned aircraft into the Army National Guard; can you provide me with a plan showing which systems will be brought into Army National Guard units and a timeline for that implementation?

Answer. It is my intention to build modernized force structure which mirrors the modular design of the Active Army. These designs will be implemented between now and fiscal year 2010 and follow, as nearly as can be projected, the return of units

from Peace Keeping or GWOT missions. When the plan is completely implemented the Army National Guard (ARNG) will have 34 fully equipped and trained Shadow 200 Tactical Unmanned Aerial Vehicle (TUAV) Platoons. In order to meet this timeline the activities of a number of organizations to include the state National Guards; the operations, personnel, acquisition, force structure and training staff elements of both HQDA and NGB as well as manufacturers must be coordinated. At present, two TUAV platoons (from the Pennsylvania and Maryland Guards) comprised of 22 soldiers are training at Fort Huachuca as part of a Mobilize-Train-Deploy scenario. These units will leave equipment fielded to them in the theater of operations as they will be followed by platoons from the Minnesota ARNG. The 116th Brigade which is headquartered in Idaho shares force structure with the Oregon and Montana Army Guards and will convert to the modular design in fiscal year 2006.

Question. What is your plan to decrease the stress on certain specialties such as Military Police and Civil Affairs due to high mobilization rates within the Guard?

Answer. Current operations and future operations continue to require increasing numbers of military police units. This requirement is not likely to decrease in the near future. In order to meet on-going requirements, the Army National Guard committed to build 144 new military policy units, in addition to the 118 military police units the Guard presently has, between now and September 2009. The Army National Guard provisionally organized 16 military police units to fill the immediate need for additional military police for law and order mission inside the Continental United States, Hawaii, and military installations in Germany, but some of these provisional units will return to their original structure when missions complete. In addition, the Army National Guard accelerated the activation of two military police combat support companies. The Active component and the Army Reserve own all Civil Affairs functions.

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL DANIEL JAMES, III

QUESTIONS SUBMITTED BY SENATOR CONRAD BURNS

LITENING II PODS

Question. What are your requirements for the Litening II Pods for the Air National Guard?

Answer. The LITENING family of targeting pods has evolved from the original LITENING II to ER (Extended Range) and now to AT (Advanced Technology). The LITENING AT pod is equipped with a 512k FLIR, Laser Spot Track (LST), and the capability to target J-Series Weapons. The Northrop Grumman LITENING AT targeting pod (TGP) is comparable to Lockheed Martin's Sniper XR.

The total targeting pod requirement for the Air National Guard is 266 pods that includes 203 for Block 25/30/32/42 F–16s and 54 for the A–10. This breaks down to 8 TGPs per squadron plus spares. The ANG has 87 LITENING TGPs in the inventory, with 25 LITENING ATs on order, 12 Sniper XRs on order, and 70 Sniper XRs to be received from the active duty Air Force. The remaining requirement is 63 TGPs at a unit cost of $1.3 million per pod for a total price of $81.9 million.

F–16 FLEET

Question. Is the Air Force adequately funded to provide these pods to the F–16?

Answer. No. The United States Air Force currently has 470 LANTIRN Targeting Pods (TGP) in its inventory, which has a single mode Forward Looking Infra-Red (FLIR) and does not have a TV mode, Laser Spot Search and Track (LSS/LST), Laser Marker (LM), or the ability to generate J-series weapons. The total documented requirement for the Combat Air Forces (CAF) is 679 3rd Generation TGPs. The United States Air Force has budgeted for 200 Sniper XR targeting pods, with 56 on contract. The United States Air Force, Air National Guard, and AFRC have a total of 134 LITENING pods in their inventories. This leaves the CAF 345 TGPs short of our documented requirements.

The United States Air Force and Air National Guard combined forces in February 2000 to develop and procure the Advanced Targeting Pod (ATP). Lockheed Martin's Sniper XR pod won an open competition for the ATP contract, and the Air National Guard is supposed to receive 70 of the first 176 Snipers that are procured. Sniper is over a year and a half late, and the Air National Guard is still waiting to receive the first TGP from the United States Air Force. LITENING has helped satisfy ANG requirements in the interim.

LITENING TARGETING PODS

Question. What will be the impact if these Litening targeting pods are not adequately funded?

Answer. The Air National Guard has been sharing LITENING Targeting Pods (TGP) between units since 1998. At the present time, we only have enough pods for units to get a minimum of 3 months worth of training before they deploy to theater. When a unit returns home, they typically go 3–6 months without any TGP training capability. Funding the remaining 63 LITENING pods and receiving 70 Sniper pods from the United States Air Force will allow the Air National Guard to permanently base 8 pods plus spares at each unit. This will keep the Air National Guard from constantly moving TGPs, provide better training continuity, and establish unit "ownership" of pods that will improve their overall maintainability.

UNMANNED AIRCRAFTS

Question. I am interested in your plans for the expansion of the force structure of unmanned aircraft into the Air National Guard; can you provide me with a plan showing which systems will be brought into Air Guard units and a timeline for that implementation?

Answer. We are currently working with Air Combat Command, the lead command for unmanned aircraft, to develop a plan to support and integrate Air National Guard units into unmanned aircraft operations and maintenance. To date, the ANG has been processing, exploiting, and disseminating intelligence from Predator, Global Hawk, and U–2 missions over Iraq and Afghanistan. In particular, the 152 Intel Squadron (NV ANG) was the sole exploiter of Global Hawk imagery during OPERATION IRAQI FREEDOM and OPERATION ENDURING FREEDOM. We are currently expanding our exploitation capability by robusting our current intelligence units [117 Intel Sq (AL ANG), 123 Intel Sq (AR ANG), and 152 Intel Sq (NV ANG)] and standing up additional units in California, Georgia, Hawaii, Kansas, Maryland, Texas, Utah, and Virginia.

TACTICAL AND STRATEGIC AIRLIFT

Question. Are you finding that your tactical and strategic airlift capabilities adequate?

Answer. ANG internal tactical (theater) and strategic capabilities are more than adequate to meet Air National Guard training, non-deployed mobility and exercise support needs. The issue is that ANG resources are part of a larger, Air Force/National Defense set of requirements determined by the Air Force and the Joint Staff. Whether overall capacity is sufficient to meet national strategy and warfighting needs is currently under study. The issue is beyond the capacity of the ANG to answer.

Question. Is tactical and strategic airlift funded adequately in the fiscal year 2005 budget?

Answer. There are shortfalls in funding both tactical and strategic airlift in the fiscal year 2005 budget. On the tactical side, additional unbudgeted C–130J aircraft are required to meet the previously agreed total force acquisition profile and funding is lacking for combatant commander and AMC mandated (but not funded) night vision goggle capability and aircraft defensive systems. The strategic airlift mission area is under funded in fiscal year 2005 in the amount of $1.7 million for the cost of C–5 simulator installation at Memphis, TN as part of the ongoing 164th Airlift Wing conversion from C–141 to C–5 aircraft. There is a critical shortfall of $63 million in fiscal year 2005 to cover the cost of required support equipment required for the incoming C–5s at Memphis and at the subsequently converting 167th Airlift Wing at Martinsburg, WV. This equipment is not being flowed from AMC with the aircraft and is acquisition lead-time away.

STATEMENT OF LIEUTENANT GENERAL JAMES R. HELMLY, CHIEF, ARMY RESERVE

Senator STEVENS. Our next panel will be the Reserve chiefs, Lieutenant General James Helmly, Vice Admiral John Cotton, Lieutenant General Dennis McCarthy, and Lieutenant General James Sherrard. If you would please join us, gentlemen.

General McCarthy, can you tell us who those people are? One of them is your son I understand. Captain, it is nice to have you join your father. We appreciate it very much.

General MCCARTHY. The young captain back there is Captain Michael McCarthy who is on active duty with the Marine Chemical Biological Incident Response Force (CBIRF) unit here in Washington who wanted to come and see a hearing today. Thank you for asking me that, sir.

Senator STEVENS. It is not very educational today, but that is fine.

General Helmly, are those people behind you here for introduction?

General HELMLY. Yes, sir. This is Staff Sergeant James Gwiazda and Sergeant Paul Hutton, both members of the 299th Engineer Bridge Company of Fort Belvoir, Virginia, which fought the road to Baghdad and bridged the Euphrates River for the 3rd Infantry Division in its decisive attack on Baghdad.

Senator STEVENS. Well, we are proud to have you with us, gentlemen. Thank you very much.

All of your statements will be printed in the record as if read. We appreciate your summarizing whatever you wish to say before us today. There is a debate going on on the floor now unfortunately, but General Helmly, let us start with you please, sir.

General HELMLY. Mr. Chairman and members of this distinguished subcommittee, thank you so much for the opportunity and indeed the privilege to testify on behalf of the 211,000 soldiers, 12,000 civilian employees, and indeed the families, as we noted here today, of the Army Reserve, an integral component of the world's greatest army, an army at war for a Nation at war.

I am Ron Helmly and I am an American soldier in your Army and very, very proud of it, Mr. Chairman. I am joined this morning, as we noted, by Staff Sergeant James Gwiazda and Sergeant Paul Hutton, both of the 299th Engineer Bridge Company.

Today, as we speak, nearly 60,000 Army Reserve soldiers are on active duty in Iraq, Kuwait, Afghanistan, here in the continental United States, and elsewhere around the world as part of our Nation's global war on terrorism, serving courageously and proudly. They are joined by another 151,000 Army Reserve soldiers currently training and preparing for mobilization or, indeed, resting and refitting after being demobilized and redeployed.

Since September 11, 2001, more than 100,000 Army Reserve soldiers have served on active duty as a part of this war. Tragically, 31 Army Reserve soldiers have made the ultimate sacrifice, 4 in just the last week, in service to our Nation to keep their fellow citizens and their families and neighbors safe and free. We are forever and deeply in their debt and honor their memories by our actions here today.

Your invitation to testify comes at a time of profound and unprecedented change and challenge in the dynamics of our Nation's security environment. A critical issue that should be recognized is that this is the first extended duration war our Nation has fought with an all-volunteer force. January marked the 30th anniversary of the all-volunteer force. This immense policy change in our Nation has brought the Army Reserve and the armed forces an unheard of and unprecedented quality of those who populate our ranks. Yet, the all-volunteer force also brings expectations and sensitivities that we must confront with regard to how we support our people and how we train them and how and when we employ those people.

To meet the demands of our Nation and the needs of our Army and joint force team, we must change the way we man the Army Reserve. We must change the way we organize, train, and prepare the force. This is a period of deep change from the old to the new, but we must forge this change while simultaneously continuing the fight in the current war. We are not afforded the luxury of hanging a sign outside our Army Reserve command headquarters in Atlanta that says "closed for remodeling." The culture must change from one that expects 1 weekend a month, 2 weeks in the summer, to one that understands I am first of all an American soldier. Though not on daily active duty, before and after a call to active duty, I am expected to live to demonstrate Army values. I must prepare for mobilization as if I knew the hour and, indeed, the day that it would come.

Thank you, Mr. Chairman. I look forward to your questions.

Senator STEVENS. Thank you, General.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JAMES R. HELMLY

INTRODUCTION

Mr. Chairman and members of this distinguished subcommittee, thank you for the opportunity and the privilege to testify on behalf of the 211,000 Soldiers, 12,000 civilian employees, and the families of the United States Army Reserve, an integral component of the world's greatest Army; an Army at war for a nation at war. I'm Ron Helmly, and I'm an American Soldier in your Army, and proud of it.

Today as we speak, nearly 60,000 Army Reserve Soldiers are on active duty in Iraq, Kuwait, Afghanistan, in the continental United States, and elsewhere around the world as part of America's global war on terrorism, serving courageously and proudly. They are joined by another 151,000 Army Reserve Soldiers training and preparing for mobilization or resting and refitting after being demobilized. These modern-day patriots are your neighbors who live in your communities, work in your factories, teach your children, deliver your babies, your mail, and share your everyday lives. They have willingly answered the call to duty to perform missions they have trained for, and to honor their commitment as part of a responsive and relevant force, an essential element and indispensable component of the world's finest land force, the United States Army.

The strength and added value we bring to that partnership is drawn from the people who serve in our formations. With nearly 25 percent of its Soldiers female, and

more than 40 percent minority, the Army Reserve is the most ethnically and gender-diverse force of all the armed services. Overall, 92 percent of our force holds high school diplomas. Our force consists of individuals who are community and industry leaders, highly trained and educated professionals, experts in their chosen fields who give of their time and expertise to serve our nation.

Since September 11, 2001, more than 100,000 Army Reserve Soldiers have served on active duty as part of the global war on terrorism. Tragically, 21 Army Reserve Soldiers have made the ultimate sacrifice in service to our nation to keep their fellow citizens and their families and neighbors safe and free. We are deeply in their debt and honor their memories by our actions here today.

THE CHALLENGE

Your invitation to testify comes at a time of profound and unprecedented change and challenge in the dynamics of our nation's security environment. Since September 11, 2001, we have been embroiled in a war with wily, determined enemies, who are intent on destroying our very way of life. In this global war on terrorism, we are confronting regional powers; facing the potential use of weapons of terror and mass destruction at home and abroad; and struggling with the challenges of how to secure our homeland while preserving our precious rights and freedoms. From the start, we have understood that this will be no brief campaign or a short war. It will be an enduring global war, a protracted war, a long struggle that lacks clear, well-defined borders. Have no doubt, it is a war. It challenges our national will and our perseverance. It tries our patience and our moral fiber. It is a war different, just as all previous wars have been different. Unlike previous wars the Army fought here on our own soil, where we in the armed services must be continually ready to carry out our mission when and where the nation calls.

As we engage these enemies we recognize that carrying out current missions is not by itself sufficient. The very forces that cause this war to be different have propelled the world into a period of unprecedented change and volatility. We live in a much-changed world and we must change to confront it. We must simultaneously confront today's challenges while preparing for tomorrow's. The Army will maintain its non-negotiable contract to fight and win the nation's wars as we change to become more strategically responsive and dominant at every point across the spectrum of military operations. The confluence of these dual challenges, transforming while fighting and winning, and preparing for future wars, is the crux of our challenge—transforming while at war.

Last year was my first opportunity to address this subcommittee as the Chief, Army Reserve. I told you then that I was humbled and sobered by that responsibility. That feeling remains and indeed has grown more profound. The Army Reserve is an organization that daily demonstrates its ability to be a full and equal partner, along with the Active component of the Army and the Army National Guard, in being the most responsive dominant land force the world has seen. Together with the Marine Corps, Navy, Air Force, and Coast Guard, the Army Reserve of your Army fights as part of the joint team: the sum of the parts is much greater—and that's the power we bring to the battlefield today.

ALL-VOLUNTEER FORCE

A critical issue that should be recognized is that this is the first extended duration war our nation has fought with an all-volunteer force. January marked the 30th anniversary of the all-volunteer force. This tremendous policy change in our Nation has brought the Army Reserve, and the Armed Forces, an unheard of quality of people. Yet the all-volunteer force also brings expectations and sensitivities that we must confront with regard to how we support our people, and how we train them, and how and when we employ those people.

Title 10 of the United States Code directs the Army Reserve to provide units and Soldiers to the Army, whenever and wherever required. Since 1973, the Active and Reserve components have met this challenge with a force of volunteers, men and women who have freely chosen to serve their nation. Perhaps more than any other policy decision, this momentous move from a conscript force to a force, Active and Reserve, manned solely by volunteers has been responsible for shaping today's armed forces, the most professional and capable military the world has seen. Working through this sea change in how we lead our force has highlighted differing challenges that we simply must recognize and address if we are to maintain this immensely capable force.

During a recent conference celebrating 30 years of the All-Volunteer Force (AVF) policy, former Secretary of Defense Melvin Laird discussed its genesis. He explained that while from the start, it was understood that the policy would apply to the Total

Force, in reality, after the AVF was established, the focus tended to be almost exclusively on manning the Active component—understandable since it was the tip of the spear. But as a result, manning the Reserve components became, in effect, an accidental by-product of manning the Active component. This lack of a deliberate focus has hindered the development of force-manning policies that recognize the unique nature of Reserve service. As a result, the "one weekend a month and two weeks in the summer" paradigm was created. For almost three decades, that paradigm has remained largely intact. The world has witnessed major change since we started relying on an all-volunteer force. And yet we, in the Army Reserve, allowed the continuance of expectations for our most critical element—our people—our volunteers—for a world that no longer existed.

To meet the demands of our nation and the needs of our Army and joint force team, we must change the way we man the Army Reserve, we must change the way we organize, train, and prepare the force, and to accomplish this change, the culture must change. This is a period of change from the old to the new. Forging a new paradigm is akin to the depth of change the Department of Defense endured when transitioning from a conscript force to an all-volunteer force. But we must forge this change while simultaneously continuing the fight in the current war. We are not afforded the luxury of hanging a sign outside the U.S. Army Reserve Command headquarters that says, "Closed for Remodeling." The culture must change from one that expects "one weekend a month, two weeks in the summer" to one that understands "I am, first of all, a Soldier, though not on daily active duty, before and after a call to active duty I am expected to live Army values; I am expected to prepare for mobilization as if I knew the day and the hour that it would come. I use my civilian skills and all that I am to perform my military duties. I understand that I must prepare to be called to active duty for various periods of time during my military career while simultaneously advancing my civilian career."

The Army Reserve is part of a public institution founded in law. Our mission and our responsibility come from this law. I would like to note that the law does not say for big wars, little wars, short wars or medium wars, it says whenever our Army and our armed services and our nation require us, we are to provide trained units and qualified individuals. We must change to continue fulfilling the mandate of that law while simultaneously perfecting and strengthening the quality force we have today.

ACCOMPLISHMENTS

The past year has been a full one for your Army Reserve, marked by great efforts and remarkable achievements. Among the most significant have been:

At War—Army Reserve Soldiers Called to Active Duty in 2003

In 2003, the Army Reserve called to active duty and deployed nearly 70,000 Soldiers, more than 30 percent of the Army Reserve's 205,000 Selected Reserve end strength, to Afghanistan, Iraq, Kuwait, and theaters around the world in support of Operations Enduring Freedom, Iraqi Freedom, Noble Eagle, and other contingency operations.

377th Theater Support Command Operates Logistics on the Battlefield

The seamless integration of the Army's Active and Reserve components was epitomized by the Army Reserve's 377th Theater Support Command during Operation Iraqi Freedom (OIF). The 377th was redeployed to OIF after performing as the senior logistics headquarters during Operation Enduring Freedom. Once redeployed, the 377th TSC (headquartered in New Orleans) supported OIF, and reported directly to the Combined Forces Land Component Command.

The joint and coalition flavor that the 377th brought to the fight is a historic first. From the early hours onward, the 377th supported combat operations from Kuwait throughout the entire battle space into Iraq. The headquarters commanded over 43,500 Soldiers during the buildup of forces and subsequent combat phase of OIF, and consisted of 8 general officer commands and 8 area support groups. The 377th TSC helped shape the theater logistical footprint and was responsible for supporting the reception, staging, onward movement, and integration of all coalition forces, in addition to many other logistical support operations.

Of particular note were the 377th's accomplishments in seaport of debarkation operations in Kuwait. This included the largest wartime combined/joint logistics over the shore operation in over 50 years, at the Kuwait Naval Base. These operations involved over 150 ships, 31,000 personnel, 4,900 wheeled/tracked vehicles, over 6,000 ammunition and general containers, over 29,000 ammunition and general pallets, and over 2,500 other pieces of cargo. The base was operated by units of 377th

and the Army Reserve's 143rd Transportation Command (headquartered in Orlando).

Three Consolidated and Streamlined Support Commands Established

Army Reserve Personnel Command (AR–PERSCOM) Merged with Human Resources Command (HRC)

Effective October 2, 2003, the St. Louis, Missouri-based Army Reserve Personnel Command inactivated and merged with the Total Army Personnel Command to form the U.S. Army Human Resources Command (HRC). The HRC envisions becoming the nation's premier human resources provider. The HRC mission is to execute the full spectrum of human resources programs, services, and systems to support the readiness and well-being of Army personnel worldwide.

The HRC executes Army personnel policies and procedures under the direction of the Department of the Army G–1. It integrates, manages, monitors, and coordinates military personnel systems to develop and optimize utilization of the Army's human resources in peace and war. HRC is the activity within the Department of the Army responsible for managing the Individual Ready Reserve (IRR) and Standby Reserve. The HRC will also plan for and integrate civilian personnel management and processes to attain a fully integrated HR focus.

Army Reserve Engineers Integrated with DA ACSIM

Effective October 1, 2003, the Army Reserve Engineers, formerly known as the Office of the Chief, Army Reserve (OCAR) Engineer Staff and the U.S. Army Reserve Command (USARC) Engineer Staff, transferred to the Army's Assistant Chief of Staff for Installation Management (ACSIM) and Headquarters, Installation Management Agency (IMA).

The former OCAR Engineer Staff (Arlington, VA) was integrated as a separate division within the Department of the Army, ACSIM, as the ACSIM-Army Reserve Division (ACSIM–ARD). The former USARC Engineer Staff (Atlanta, GA) was integrated as a separate division within the HQ, IMA, as the IMA-Army Reserve Division (IMA–ARD). The IMA–ARD is split-stationed between Arlington, VA and Atlanta, GA.

The ACSIM–ARD and IMA–ARD program, plan, and execute base operations support (e.g., environmental, maintenance and repair, and sustainment) and military construction functions on behalf of the Army Reserve and its more than 900 Army Reserve centers worldwide and two power projection platform installations (Fort Dix, NJ and Fort McCoy, WI).

Army Reserve Chief Information Office (CIO) Merged with DA CIO/G–6

At a June 25, 2003 signing ceremony, the Department of the Army CIO/G–6 and I formalized a memorandum of agreement that integrates the Army Reserve, CIO into the Department of the Army CIO/G–6.

The Army Reserve counts communication and signal technology as one of its core capabilities—an enduring skill-rich capability across the spectrum of operations. With this integration, the Army Reserve demonstrates a commitment to both the transformation of the Army and to a common/single Army enterprise. With this integration, the Army Reserve Enterprise Integration Office will continue to be responsible for C^4/IT planning, programming, budgeting, and execution support for all related Army Reserve appropriations. The Department of the Army CIO/G–6 will provide resource guidance and policy oversight, ensuring that Army Reserve C^4/IT requirements are integrated and validated as part of broader Army requirements.

FEDS–HEAL Program Expanded and Improved

The Army Reserve Surgeon's office worked with the Veteran's Administration to expand and improve the Federal Strategic Health Alliance (FEDS–HEAL) program. This initiative includes the addition of consolidated medical and dental records review, centralized appointment scheduling, dental treatment, vision examinations and eyeglass and lens insert procurement, and support to Soldier readiness processing activities.

The year began with a concerted effort to enhance Soldier readiness in support of Operation Iraqi Freedom. This resulted in 85,000 records being reviewed by the FEDS–HEAL Program Office, which subsequently initiated and completed 48,000 physical examinations, 31,000 dental examinations, 3,200 dental treatment services, 71,000 immunizations (not including Anthrax), 22,500 Anthrax immunizations, and 1,000 vision examinations. The effort has been sustained via routine SRP support across the nation. The effect has been to increase readiness and minimize processing time and the frequency of non-deployable Soldiers being called to active duty.

In addition, the effectiveness of FEDS–HEAL was enhanced by the program's extension to the Army National Guard, Air Force Reserve, six Active component dental treatment facilities, and the occupational health programs of the Army National Guard and Reserve.

GROWING CONTRIBUTIONS

Prior to Operations Desert Shield and Desert Storm, Army Reserve Soldiers provided minimal support to military missions. That all changed with the first Gulf War, when almost 95,000 Army Reserve members were called to active duty—and they not only responded but performed that duty well, contributing over 14 million duty days of support. Since that war, the Army Reserve provided between 1 million and 4 million duty days annually to total force missions until the terrorist attacks of September 11, 2001. Once again the Army Reserve has responded quickly and continuously with over 95,000 members serving on active duty and providing nearly 16 million duty days of support to the Active forces in fiscal year 2003.

The increased personnel tempo became steady-state even before September 11th as our Reserve Soldiers took their places among the rotational forces that are still keeping the peace in Eastern Europe. Our military police, medical, civil affairs, and public affairs Soldiers continue to provide their skills and capabilities in Operations Joint Endeavor and Joint Guardian in Bosnia and Kosovo.

In the wake of the events of September 11th, came the global war on terrorism, Operation Noble Eagle in the United States, and the subsequent campaign, Operation Enduring Freedom in Afghanistan and Kuwait. Civil affairs units made up of Army Reserve Soldiers who possess civilian-acquired and sustained skills in the fields of engineering, city planning, and education were deployed to the region to lead in reestablishing a free, functioning society. Numerous new schools were built and medical aid provided to the people of Afghanistan. These Soldiers represent the goodwill and interests of the American people with every classroom they build and every skill they teach, every functioning social capability they help create, and every contact they make with the native population. And your Army Reserve Soldiers are doing an incredible job.

In Operation Iraqi Freedom our troops have liberated Iraq and brought down Saddam Hussein. Today they remain, boots on the ground, helping restore the fabric of Iraqi society and its infrastructure and return self-determination to the people of Iraq who are free for the first time in more than 30 years.

No one expects this mission to be completed soon or the war on terrorism to be won quickly. Both will try our patience and test our resolve as a nation and as an Army. Both will require new organizational and institutional paradigms and expectations if we are to prevail in our present endeavors and prosper in future ones. The world will remain a dangerous and unstable place for the foreseeable future. We must so organize ourselves and our efforts that we have the institutional endurance and robustness to accomplish our missions effectively, efficiently, and definitively.

THE IMPERATIVE FOR CHANGE

Despite the clear relevance and strength demonstrated by these examples, we, the Army as an institution, are not without our challenges. First and foremost, we, the Army Reserve, must evolve as an institution to accommodate the changes in our environment. The division-oriented, set-piece battles of the past now share the stage with conflicts in which smaller interchangeable units will be combined in formations tailored to meet specific threats and situations and to offer the combatant commander the capabilities he needs to contain and defeat the enemy, and prevail upon the shifting, asymmetrical battlefields of the twenty-first century.

ARMY RESERVE RESPONSE

The Army Reserve is moving to meet that challenge, preparing changes to training, readiness and policies, practices, and procedures. We are restructuring how we train and prepare the force by establishing a Trainee, Transient, Holdee, and Student Account, much like the Active Army, to manage our force more effectively. We are preparing plans to support the continuum of service concept recently proposed by the Office of the Secretary of Defense, which would allow ease of movement between Army components as dictated not only by the needs of the Army, but also by what is best for the Soldier developmentally and educationally. We are excited by the potential of such transition proposals.

Federal Reserve Restructuring Initiative (FRRI)

Our initiatives concerning the management of individuals and units in the Army Reserve are the catalyst of the evolving Army Reserve—The Federal Reserve Restructuring Initiative. Six imperatives are necessary in order for the Army Reserve to change to a 21st century force. These imperatives are: re-engineer the call to active duty process; transform Army Reserve command and control; ensure ready units; implement human resources life cycle management; build a rotational base in our force; and re-engineer individual Soldier capabilities.

Call to Active Duty Reform

Changing our industrial-age, Cold-War era call-to-active-duty and mobilization process remains a critical component to realizing the capabilities and potential of our highly skilled, loyal and sacrificing Soldiers. The nation's existing process is designed to support a traditional, linear, gradual build-up of large numbers of forces and equipment and expansion of the industrial base over time. It follows a construct of war plans for various threat-based scenarios. It was designed for a world that no longer exists. Today, multiple, operational requirements, unclear, uncertain, and dynamic alliances, and the need for agile, swift, and decisive combat power, forward presence in more responsive ways, and smaller-scale contingency operations, demand a fundamentally different approach to the design, use, and rotation of the Army Reserve forces. Rather than a "force in reserve," the Army Reserve has become and serves more as a complementary force of discrete specialized, skill-rich capabilities and a building block for teams and integrated units of capabilities, all essential to generating and sustaining forces. The process of accessing and employing these forces must be overhauled completely to become more efficient, flexible, and responsive to the nation's needs, yet sensitive to, and supportive of the Soldier, the family and the civilian employer. To do this we require a more decentralized, agile, and responsive process that accommodates the mission requirement while simultaneously providing greater predictability for soldier, family, and employer.

Changing the way we employ Soldiers starts with changing the way we prepare for calls to active duty. The current process is to alert a unit for calls to active duty, conduct administrative readiness preparations at home station, and then send the unit to the mobilization station for further administrative and logistical preparedness processing and to train for deployment. This alert-train-deploy process, while successful in Desert Shield/Desert Storm, today inhibits responsiveness. By changing to a train-mob-deploy model, and dealing with administrative and logistical requirements prior to active duty, we will reduce the time needed to bring units to a campaign quality level needed for operations. This will require us to resource more training events at home station through the use of devices, simulators and simulations. As you would expect, this shift in paradigms will increase pre-call-to-active-duty OPTEMPO beyond the current statutory level and will require greater effort and resources to achieve. We are confident that the increased costs will pay significant dividends in terms of readiness and deployability.

Realigning Force Command and Control

Our evolutionary force structure journey actually began 10 years ago and is accelerating rapidly today. In 1993 we reorganized to produce a smaller, more efficient, and more effective structure. Our overall strength was reduced by 114,000 Soldiers, or 36 percent, leaving us with a 205,000 Soldier statutory end strength today. We continue our journey from a Cold-War Army Reserve force to our current, fully engaged Army Reserve, to a changed, even more responsive and capable future Army Reserve force that will include a rotational capability. In the 1990s, we cut the number of our Army Reserve commands by more than half and re-invested those resources into capabilities such as medical and garrison support units as well as Joint Reserve units. We reduced the number of our training formations by 41 percent and streamlined our training divisions to better meet the needs of the Army and its Soldiers. Our journey continues today as we mature plans for further realignments and force structure initiatives. Between fiscal year 2005 and fiscal year 2008, we will reduce our force structure by 35,000 spaces, reinvesting those into remaining units in order to man them at 100 percent. Simultaneously, we will redesign the remaining force into more capable modular organizations and reduce the number of general officer functional commands and the number of general officer command and control headquarters subordinate to the Army Reserve Command.

The Army Reserve is the nation's repository of experience, expertise, and vision regarding Soldier and unit calls to active duty. We do have forces capable of mobilizing in 24 hours and moving to their active duty stations within 48 hours, as we demonstrated in response to September 11th. This norm of quick and precise calls to active duty ability will become institutionalized in the processes and systems of

the future and give our forces the ability to marshal Army Reserve Soldiers rapidly and smoothly.

Trainees, Transients, Holdees, and Students (TTHS) Account

The most immediately effective methods for improving Army Reserve unit readiness is to harvest the personnel authorizations (spaces) associated with those units whose historical missions have been largely overtaken by events and whose consequent relevance to war plans and missions has been significantly reduced or eliminated all together. These spaces can then be used as a holding account that increases unit readiness by removing unready Soldiers from troop program unit spaces. Currently, unready Soldiers are carried on the rolls for a variety of reasons and reported as unavailable to fill force authorized positions. With the creation of the TTHS account, these unready Soldiers will be assigned to the TTHS account where they will be trained and managed until they can be assigned to a unit in a duty-qualified status.

This procedure can be accomplished within existing manpower and funding levels. This initiative will improve the quality of service for individual Soldiers and relieve unit commanders of a major administrative challenge thus enabling them to better focus on calls to active duty and readiness activities.

The TTHS account will be used to manage vacancies and the assignment of qualified Soldiers to authorized positions, thus increasing retention with a positive Soldier-oriented life-cycle management program.

Individual Augmentee Program and Continuum of Service

In today's operational milieu, there is a growing need to establish a capability-based pool of individual Soldiers with a range of specialties who are readily available, organized, and trained for calls to active duty and deployment as individual augmentees. In spite of numerous force structure initiatives designed to man early deploying Active Army and Reserve component units at the highest possible levels, a requirement remains for individual specialists for unforeseen, unplanned-for-contingencies, operations, and exercises. Therefore, I have directed the establishment of an Individual Augmentee Program within the Selected Reserve to meet these needs.

The Individual Augmentee Program is intended to meet real-world combatant commander requirements as validated in the Worldwide Individual Augmentation System (WIAS). Additionally, this program will preclude the deployment of individual capabilities from Active or Reserve component units, adversely affecting their readiness, cohesion, and future employment effectiveness. This program will allow Soldiers to participate at several levels of commitment, and supports the Office of the Secretary of Defense proposal for a continuum of service that enables service members to move more easily between their services' components during their careers.

Rotating the Force

While changing industrial-age mobilization, personnel, training, and development policies is necessary, restructuring our force so that we can implement predictable and sustainable rotations based upon depth in capability is also necessary. We are committed to achieving a capability ratio that will manage Army Reserve deployments to once every four or five years. Predictable and sustainable utilization is a key factor in maintaining Soldier, family, and civilian employer support. One of the goals of transforming our force is to change policies that are harmful to Soldiers and families. Predictable rotation schedules will allow the Army Reserve to continue to be a long term source of skill-rich capabilities for small scale contingency conflicts and follow-on operations. Properly executed, predictable rotations will provide our units with operational experience; provide a sense of fulfillment for our Soldiers; impart a sense of order for our Soldiers, and even out the work load across the force. The recent changes to the Operation Enduring Freedom and Operation Iraqi Freedom rotational schedules are an important step in establishing those rotational capabilities.

Rebalancing the Force

There has been considerable concern raised about what is viewed as excessive reliance on the nation's Reserve components both for small-scale operations such as the Balkans rotations and for long-term contingency operations such as Operations Enduring Freedom and Iraqi Freedom. While only 33 percent of Army Reserve troop strength is currently called to active duty, and while that level of usage does not seem extreme, raw numbers alone do not tell the whole story. Some units, notably, military police and truck transportation units are in fact over-extended, and it is true that some types of units that have been used more in the war on terrorism

than others. Military police, civil affairs, military intelligence, transportation and biological detection and surveillance capabilities are the highest in utilization. We are committed to eliminating these pockets of specialty over-stress by increasing the number of some units in both the Active component and the Army Reserve and Army National Guard.

The Department of Defense is currently deeply involved in determining how to rebalance the Active-Reserve component force mix to mitigate the effects of over-use of particular specialties. Currently, 313 Standard Requirement Codes (types of units) are found exclusively in the Army Reserve. The Army Reserve has been able to meet the challenges with this structure thus far, but clearly the structure requires change and perhaps augmentation to meet the continuing demand for these skill-rich capabilities that are more practically sustained in a Reserve component force.

Recruiting and Retention

Recruiting and retention is an area of the highest importance to the Army Reserve and a volunteer force. Our responsibilities require the best Soldiers America can provide. In this regard, we are most appreciative of the help your subcommittee has provided us. We would be remiss if we did not thank you for the attention you have paid to our recruiting needs in recent legislation. With your help we have met our recruiting mission for four straight years from 2000 to 2003. In fiscal year 2004, however, we are 182 accessions short of expected year-to-date mission out of a projected 10,156 accessions. While this is cause for some concern, I am not alarmed over this because we are currently at 103 percent strength.

Although generally successful in overall mission numbers, we continue to experience difficulty in attracting and retaining qualified individuals in certain critical wartime specialties. Your continued support on behalf of recruiting and retention incentives, allowing for innovative readiness training and the funding of continuing health and educational opportunities will help us with this difficult task.

The Army Reserve, in partnership with the United States Army Accessions Command, has conducted a thorough review of Army Reserve recruiting. This review has helped us forge a stronger relationship with the Accessions Command and has streamlined our processes to support the symbiotic relationship between recruiting and retention. To that end, we will seek to ensure that all Army Reserve Soldiers are involved in recruiting and retention activities—we all are a part of the Army's accessions efforts. We are removing mission distracters allowing the Accessions Command to focus on their core competency of recruiting non-prior service applicants; we are focusing on life cycle personnel management for all categories of Army Reserve Soldiers and our retention program seeks to reduce attrition, thereby improving readiness and reducing recruiting missions.

During 2003, the responsibility for the entire prior service mission transferred from the Accessions Command to the Army Reserve. Tenets of this transfer included: establishment of career crosswalk opportunities between recruiters and retention transition NCOs; localized recruiting, retention and transition support at Army Reserve units, and increased commander awareness and involvement in recruiting and retention efforts.

To support recruiting and retention, the Army Reserve relies on non-prior service and prior service enlistment bonuses, the Montgomery GI Bill Kicker, and the Student Loan Repayment Program in combinations that attract Soldiers to fill critical MOS and priority unit shortages. The Army Reserve must be able to provide a variety of enlistment and retention incentives, for both officer and enlisted personnel, in order to attract and retain quality Soldiers. Fully funded incentive programs must be available to ensure success in attaining recruiting goals and maintaining critical shortages and skills.

As for the retention of this all-volunteer force, during the mid-eighties, at the height of the Cold War, the Army Reserve averaged a 36–38 percent officer and enlisted attrition at a time when we were never used. Today, after 8 continuous years of calls to active duty and use since 1997, we are averaging 24–26 percent attrition. Interestingly, the retention rates appear to be higher in those units that get called to active duty than in those that are not called. Our Soldiers feel the pressure, they understand the sacrifice, and they recognize their contributions to the common good and their fellow citizens. They are proud and they are determined. I am profoundly impressed by their performance, their commitment, and their dedication every day.

Historically, our retention program has been a success. Faced with an enlisted attrition rate of 37.5 percent at the end of fiscal year 1997, we adopted a corporate approach to retaining quality. Retention management was an internal staff responsibility before fiscal year 1998. In a mostly mechanical approach to personnel management, strength managers simply calculated gains and losses and maintained vol-

umes of statistical data. Unfortunately, this approach did nothing to focus commanders on their responsibility of retaining their most precious resource—our Soldiers.

In response, the Army Reserve developed the Commanders Retention Program to correct this shortcoming. A crucial tenet of this program places responsibility and accountability for retention with commanders at every level of the organization. Commanders now have a direct mission to retain their Soldiers and must develop annual retention plans. Additionally, first line leaders must ensure all Soldiers are sponsored, receive delivery on promises made to them, and are provided quality training. In this way, the Commanders Retention Program ensures accountability because it establishes methods and standards and provides a means to measure and evaluate every commander's performance.

Since the introduction of the Commanders Retention Program, the Army Reserve has reduced enlisted troop program unit attrition by nearly 12 percentage points. The enlisted attrition rate in fiscal year 2003 was 25.5 percent.

The attrition rate for fiscal year 2004 is projected to increase to 30.4 percent, due to an increase in the Expiration of Term of Service (ETS) population, expected retirements as well as recalls to active duty. The exact impact of demobilization of troops rotating out of theater having served in OIF1 and OEF3 remains to be seen. The next several months will tell the tale as stop-loss provisions are lifted 90 days after our troops are released from active duty.

Overall, the Army Reserve successfully accomplished its fiscal year 2003 recruiting mission while achieving the Department of the Army and Department of Defense quality marks. Beginning fiscal year 2004, the Army Reserve transitioned the U.S. Army Recruiting Command (USAREC) from a contract recruiting mission to a ship mission as well as began a three-year phased implementation of the Delayed Entry Program (DEP) similar to the Active Army. To support these efforts the Army Reserve recruiting mission will increase over the next three years and will stabilize by fiscal year 2007. The purpose of these two initiatives is to better utilize our training seat resources and to reduce overall unit attrition. The accomplishment of the recruiting mission will demand a large investment in time on the part of our commanders, our retention NCOs, and our recruiters as they are personally involved in attracting the young people in their communities to their units.

However, the same environmental pressures that make non-prior service recruiting and retention difficult also affect prior service accessions. With the defense drawdown we have seen a corresponding decrease in the available prior service market in the Individual Ready Reserve. This affects Army training costs, due to the increased reliance on the non-prior service market, and an overall loss of knowledge and experience when Soldiers are not transitioned to the Army Reserve. Consequently, the Army Reserve's future ability to recruit and retain quality Soldiers will continue to be critically dependent on maintaining competitive compensation and benefits.

The Army Reserve is currently experiencing a shortfall of 4,200 company grade officers. Retention goals focus commanders and first line leaders on junior officers. The establishment of a sound leader development program is a cornerstone of Army Reserve transformation. Providing young leaders the opportunity for school training and practiced leadership will retain these officers. A transformed assignment policy will enhance promotion and leader development. Increased Army Reserve involvement in transitioning officers from active duty directly into Army Reserve units will keep young officers interested in continuing their Army career. Allowing managed flexibility during their transition to civilian life will be a win for the Army and the officer.

Special attention needs to be placed on the recruiting budget, for advertising, to meet our requirements in the next several years. Young people of today need to be made aware of the unique opportunities available in the different military components. The best way to get this message out is to advertise through the mass media. Funding our critical advertising needs is imperative if we are to be honestly expected to meet our recruiting goals. Your continued support of our efforts to recruit and retain quality Soldiers is essential if we are to be successful.

Family Programs

A functional family readiness program is important in peace and critical in war. Family programs provide invaluable family assistance during peacetime and calls to active duty, to include training for family program directors and volunteers in support of family readiness activities. These volunteers and contract employees provide information referral and outreach to family members and deployed Soldiers. Within this system are 25 contractors serving in family program director positions whose

duties include aiding in promoting families' awareness of benefits and entitlements, orienting family members to Army Reserve systems, programs, and way of life.

In preparation for calls to active duty deployment, these volunteers and staff provide an extensive briefing for both families as well as Soldiers. These family services include briefings by members of the Chaplains Corps who explain what happens to spouses or families upon separation. We also provide briefings when the service member returns and coach the family members to expect changes upon the Soldier's return to home.

The average Army Reserve soldier is older and more likely to be married than the average active component soldier. While all families face hardships when their soldier is called to the colors, Army Reserve families have additional challenges as they generally do not live near an installation that can provide services. While historically we have relied extensively on volunteers, experience has shown we must increase the amount of full time staff available for families. We will soon have 25 additional family readiness group assistants positioned in locations where they can assist geographically isolated families of mobilized soldiers. We also have begun the process of accreditation to ensure the program delivers a consistent level of service to families. We continue to work on obtaining more resources for the program.

During Desert Shield/Desert Storm Army Reserve family readiness programs were sparse. Today, these programs are extensive, and they are providing a support network for our families. We have been able to meet the needs of our deployed Army Reserve Soldiers and will continue to do so. We are anticipating challenges in the future.

Information Technology

Network Service/Data Center

The Army Reserve is redesigning its information technology infrastructure to support the global war on terrorism and greatly increase the survivability of our information technology infrastructure in the event of a cyber or physical attack. This redesigned infrastructure will establish a network service/data center that supports the continental United States. With this redesign, the Army Reserve would have the technological capability to sustain existing Army systems or field new Army systems to meet readiness requirements. The redesign will also enhance the timely dissemination of information supporting command and control of areas of mobilization, training, and overall data exchange.

Force Protection

The Force Protection program within the Army Reserve is designed to provide security and preparedness to meet the full spectrum of threats facing Army Reserve facilities and stand-alone facilities worldwide. The program is an integrated set of five security activities: physical security, anti-terrorism, law enforcement, information operations, and installation preparedness.

The timely and accurate flow of threat information is the foundation of the overall Force Protection program within the Army Reserve. Vulnerability and risk assessments coupled with current threat information provides a solid crisis management planning platform for the Army Reserve stand alone facilities and installations.

The Army Reserve Force Protection program enables commanders to prioritize facilities and focus resources using a proven decision making methodology. The Army Reserve Force Protection program is being used to dramatically repair and upgrade facilities, train leaders and integrate security programs to ensure fully capable units are available to support combatant commanders in the Global War on Terrorism.

Installation Preparedness concentrates on detailed planning, integrated training and for the coordinated response of first responders such as fire, police and emergency services to incidents involving weapons of mass destruction or industrial accidents and disasters on or near Army Reserve facilities and installations.

The Army Reserve is challenged with its existing military and civilian manpower structure. To sustain the current Force Protection program and meet the demands of emerging requirements, we must expand contract requirements for physical security, anti-terrorism vulnerability and risk assessments, force program leader training and exercise planning for the entire Army Reserve.

Currently, the Army Reserve meets installation access control requirements, but sustainment of access control combined with the additional stand alone facility level security requirements associated with the global war on terrorism has become a challenge.

Funding to support these critical security programs will allow the Army Reserve to continue to repair facilities, train leaders, and integrate security programs to ensure fully capable units are available to support combatant commanders in the global war on terrorism.

Equipment Procurement and Modernization

Increasing demands placed on the Army Reserve highlight the importance of equipment that is mission-essential. In addition, the increased use of Reserve forces in operational missions and the global war on terrorism has highlighted the importance of having compatible and modern equipment. In order for our Soldiers to be able to seamlessly integrate on the battlefield, our equipment must be operationally and technically compatible. Without complete interoperability, the ability of the Army Reserve to accomplish its combat support and combat service support missions would be diminished. The need to quickly and efficiently deploy Army Reserve units invalidates the old Cold War planning that Army Reserve units will have sufficient mobilization time to replace non-interoperable equipment or fill shortfalls deliberately accepted as "necessary risk." Retaining older, less effective equipment or filling the Army Reserve's authorized levels of equipment only partially, leads to delays as a limited pool of Army Reserve equipment is transferred between deploying, redeploying and non-deploying units and Army Reserve Soldiers are trained or retrained to operate more modern equipment, they did not have access to during drills and annual training. The National Guard and Reserve Equipment Appropriation (NGREA) has been a significant and essential tool to improve the Army Reserve through force modernization.

Meeting these challenges requires not only that the Army Reserve be issued modern, interoperable equipment, but that the resources to maintain the readiness of this equipment also be provided. Sufficient funding needs to be provided to allow the Army Reserve to reach higher standards of readiness than currently maintained as an element of risk accepted by the Army under constrained budgets. Until the Army Reserve can be fully equipped with modern items, sustaining the combat and deployment readiness of the equipment currently on hand is essential. This requires full funding of operations and maintenance requirements and continuing support of the Army's depot maintenance program, which is vital to maintaining the readiness of Army Reserve equipment, while extending service life, reducing life cycle costs and improving safety for Army Reserve Soldiers.

Combat support and combat service support transformation is a vital link to the Army Transformation Plan. The Army Reserve is the main provider of this capability for the Army and the Army must continue to modernize the Reserve components along a timeline that ensures the Reserve components remain interoperable and compatible with the Active component. The Army Reserve is continuing to support the Army's Transformation through the assignment of equipment from Army Reserve units to Army prepositioned stocks (APS) and stay-behind equipment (SBE) in Iraq and Afghanistan.

Equipment modernization of the Army Reserve is indispensable in meeting the goals of the Army's Transformation Campaign Plan. Full integration into the Army's modernization plan to implement force interoperability enables our units to deliver required combat service and combat service support ensuring our Army's operational success.

Facility Revitalization

The Army Reserve installation community proudly sustains two of the Army's major installations and 12 regional support commands. These regional commands function as "virtual installations" with facilities in 1,160 communities across all 50 states, United States territories, and in Europe.

Our primary facilities, Army Reserve centers, are prominent symbols of The Army on Main Street America. They often create the very first impressions of the entire Army and present a permanent billboard for all Americans to see. Unfortunately, most Army Reserve facilities consist of 1950's era structures that remain virtually the same as when they were constructed. They are sorely in need of modernization or, as in most cases, replacement.

Army Reserve Soldiers train in widely dispersed training centers and support facilities worldwide, whose 40 million square feet of space equates to more square footage than Forts Hood, Sill and Belvoir combined. Our facilities experience the same type of challenges active Army posts do. The impacts of poor facility conditions are even more acute for our Soldiers. Overcrowded, inadequate and poorly maintained facilities seriously degrade our ability to train and sustain units as well as sapping Soldier morale and esprit de corps.

SUMMARY

In today's national security environment, the Army Reserve has many challenges—we accept these without hesitation. These challenges find expression in our reliance on Reserve component forces in contingency operations. Historically our na-

tion has placed great reliance on Reserve components of Soldiers, Marines, Sailors, and Airmen to expand the armed forces for operations during time of war. As BG David Fastabend notes in his unpublished white paper, *Serving a Nation at War; a Campaign-Quality Army with a Joint and Expeditionary Mindset*, "Although the fundamental nature of war is constant, its methods and techniques change chameleon-like to match the strategic context and capabilities at hand." We must also change to accommodate the twenty-first century strategic context and operational reality. This global war on terrorism, as our President has described, is a long-term campaign of inestimable duration, fought in many different places around the world. The issues we have brought to you today—changing how we man, train, prepare, maintain, and resource our force recognizes the commander-in-chief's intent to prepare for future wars of unknown duration in places we have yet to fight and against enemies who threaten our freedoms and security.

We are grateful to the Congress and the Nation for supporting the Army Reserve and our most precious resource, our Soldiers—the sons and daughters of America.

Thank you.

STATEMENT OF VICE ADMIRAL JOHN G. COTTON, CHIEF, NAVAL RESERVE

Senator STEVENS. Admiral, I think this is your first appearance before our committee. We welcome you and would be happy to have your statement, sir.

Admiral COTTON. Thank you, sir. I appreciate the opportunity to testify before the committee.

There are many heros in the room today and many heros overseas. I would like to call to everyone's attention the brave actions here in the United States just a few weeks ago at the Baltimore Reserve Center where on a Saturday afternoon in a big storm 26 reservists went out in a mike boat and in a matter of minutes rescued 21 civilians, some of them near death, all of them would certainly have perished if these reservists had not rescued them. I am proud to say that in 10 days we will have a ceremony at the Reserve Center and appropriately recognize all of them with awards. I think what that demonstrates is not only are we fighting overseas, but we have capability amongst our Reserve centers, our Guard armories here in this country which will provide the backbone for homeland security both now and in the future.

The Naval Reserve is very busy. We have about 2,700 folks recalled overseas, over 500 cargo handlers and 500 Seabees are in action today in theater. We also have another 20,000 naval reservists on orders just this week providing operational support, as well as undergoing training to support the fleet.

We have fully integrated with the Navy. The Chief of Naval Operations and I work together to make sure that everything we do is in synergy to increase warfighting wholeness. In particular, the very much appreciated NGREA account is taken by Navy, and we look where we can apply it to Reserve equipment so that we can increase that warfighting wholeness both for current readiness and future readiness.

One other word I would like to mention is alignment. In the last 6 months in particular, we have aligned our headquarters and key individuals to create a synchronization or an increased synergy between the Navy and its Naval Reserve, which is very important in this global war on terrorism. There is currently a zero-based review going on of every Naval Reserve unit and billet, and then once we lay this down over the next 2 years, we will properly resource and program this force along with Navy in the pillars of SeaPower 21.

I thank you for your attention, your time. I look forward to your questions, sir.

Senator STEVENS. Thank you. We did notice that heroic action of your people and I think they do deserve recognition. Let us know if we can help in any way on that.

Admiral COTTON. Yes, sir.

[The statement follows:]

PREPARED STATEMENT OF VICE ADMIRAL JOHN G. COTTON

OPENING

Mr. Chairman and members of this subcommittee, thank you for the opportunity to speak with you today about some of the important changes that are happening in the Navy and its Reserve, and to give you a report on our accomplishments and current state of readiness.

As we look back, we see clearly that the tragic attack on our country on September 11, 2001, and the operations that followed, prompted significant changes for the Armed Forces, including the Guard and Reserve. Members of the National Guard and the Reserve have been called upon more in this global war on terrorism than at any other time since World War II. The Chief of Naval Operations (CNO) has said, "Change to make us better is completely necessary . . . to make our Navy even better and to build the 21st century Navy, and the Reserve is a key part of our growth and our future."

We are meeting the CNO's challenge head on, changing our culture and the shape of the force, moving away from an obsolete Cold War construct to one that provides tailorable, flexible capability in support of 21st century warfighting. Active-Reserve Integration is about more than gaining business efficiencies—it is about capitalizing on the skills, dedication and patriotism of the citizen-Sailors that make up our force. The Navy's Reserve will be structured, equipped and trained to complement the capabilities inherent in SeaPower 21, and will leverage technology to take advantage of skills and abilities carried by our Sailors on the coasts and in the heartland of America.

Integration is a journey, and we are sharing this voyage with our active component shipmates. The CNO and senior fleet leadership have taken ownership of their Reserve, from recruiting and training, to equipment and readiness. The fleet is identifying the capabilities it will require the Navy's Reserve to provide, an input that the active and reserve components together will use to design and shape the force. This new sense of ownership will build closer day-to-day operational relationships and allow for the seamless connection of total force capabilities in the right place, and at the right time.

To enable recapitalization of the Navy, CNO has directed that efficiencies be realized in all areas of operations, and in both Active and Reserve components. The Navy is fully integrating its Reserve into the new Fleet Response Plan (FRP) through both unit level and individual augmentation during day-to-day operational support, while maintaining the ability to mobilize reservists and equipment to support expanded surge operations around the globe. The fundamental construct of FRP is a surge-ready fleet, able to sail to any troubled spot in the world, swiftly defeat the enemy, and then reconstitute in minimum time. Therefore, the Navy and its Reserve will continually be in a surge status requiring minimum time to reset. Experienced and trained Reserve personnel are ideally suited for this surge capability. The basic 24 drill days per year and 14 days of annual training are provided at 20 percent of the cost of full time personnel, and they leverage prior Navy investment in training and maintain a continuum of service. Most reservists have both fleet experience and critical civilian skills to contribute to this concept of efficient utilization, and will fit perfectly into the unique surge mission requirements of the Navy's Reserve as envisioned in SeaPower 21.

The Navy's Reserve has always been and will continue to be an important element of the Navy's Total Force. In the Chief of Naval Operations' own words, ". . . with the Navy's Reserve playing such a vital role in our day to day operations, it is imperative that we continue to properly assess and fund reserve personnel and readiness requirements now and in the future." The Navy's Reserve contributes daily to support fleet operations and provides critical surge and sustainment capabilities to meet real world contingencies. However, to remain relevant, reservists must be even more accessible, flexible and adaptable to better support fleet operations both at home and abroad. Every structural change being considered for the future is intended to ensure that the Navy's Reserve remains an important element

of the Navy Team. Providing a more tightly integrated force creates the opportunity for Reservists to train, deploy and operate alongside their active counterparts using current doctrine, concepts and tactics, as well as the most modern equipment in the Navy's inventory.

The Navy is evolving, and its Reserve is in step with the changes. For instance, Navy is aligning missions by capabilities and has created Fleet Forces Command to meld the fleets into a single, integrated force. The first change we made to support this alignment was to assign both the Commander, Naval Reserve Force (CNRF) in Washington, DC, and Commander, Naval Reserve Forces Command (CNRFC) in New Orleans, LA, "additional duty" to Commander, Fleet Forces Command (CFFC) in Norfolk, VA. For the first time ever, one fleet commander acting for all other Navy commanders, is conducting a Zero Based Review (ZBR), where every Reserve unit and billet is being reviewed for capability relevance and alignment with fleet requirements, and then forwarded to CNO for inclusion in future budget deliberations and requests. The Navy's Reserve will continue to provide mission capable units and individuals to the Navy-Marine Corps team throughout the full range of operations, from peace to war, and will do so in a much more efficient and integrated manner. The Navy has taken charge of its Reserve Force to further enable it to provide predictable and effective support to the fleet, ready and fully integrated, in the most efficient manner possible.

NAVY RESERVE PRIORITIES FOR 2004

The Reserve's priorities have been aligned with those established by CNO for the entire Navy.

Priority #1: Manpower

Manpower is, and will remain, the Navy's number one priority. The Navy competes for the best people, and we are engaged on two fronts: recruiting the right people and improving retention. The focus is on capabilities and our recruiting objectives will be driven by fleet requirements. We need to attract and retain smart and savvy sailors to employ the advanced technologies that we will rely on in the network centric future.

Navy leadership understands the consequences of sustained and repeated recalls on our reserve personnel, their families and employers. Our judicious use of individual and unit mobilizations has demonstrated the Navy's efficient, tailored and volunteer-based method of mobilization. Retention remains at an all-time high and post-mobilization surveys of recalled personnel indicate strong job satisfaction. Our proud, patriotic citizen-Sailors have, and will continue, to answer the call in defense of freedom and liberty. CFFC's integration initiative will build on this success by increasing mission relevance, and ensuring that every reservist is delivering the capability and expertise required by the fleet and the Joint Force Commander.

We are pleased to report that recruiting remained strong in 2003. Last year we achieved 106 percent of our enlisted recruiting goal. Largely due to record high retention rates in the active duty Navy, 40 percent of these enlisted accessions were Non-Prior Service (NPS) personnel. While very qualified, many with advanced degrees, these NPS personnel require additional training before being assigned mobilizations billets. Officer recruiting, also challenged by high retention in active duty warfare designated communities, finished at 91 percent of the fiscal year goal. Our recruiters met goal last year for both officer and enlisted Full-Time Support personnel. The Navy's Reserve had an attrition rate of 17.8 percent in fiscal year 2003, and ended the year manned at 100.2 percent of authorized end strength. Although we are pleased with our results in these important manpower categories for last year, fiscal year 2004 brings similar challenges. We believe we can meet our recruiting goals in part because Reserve Recruiting became one of the first commands to fully align with their active duty counterpart. Commander, Naval Reserve Recruiting Command (CNRRC) in New Orleans, LA, became Commander, Naval Reserve Recruiting Region (CNRRR) and is now aligned with the Navy Recruiting Command (CNRC), in Millington, TN. We are very optimistic that prototype recruiting stations combining both active duty and full-time reserve recruiters opening this year will result in improved recruiting efficiencies. Furthermore, active duty commands are being directed to increase their efforts to keep trained and talented personnel leaving the active force on the Navy team by recruiting them directly into the Navy's Reserve. Keeping Navy veterans serving, especially those with critical skills and qualifications, is very important and has the support of the entire chain of command, both active and reserve.

Navy Reserve end strength requested in the fiscal year 2005 President's Budget is 83,400, a decrease of 2,500 from fiscal year 2004. This decrease is due primarily to the rebalancing of Naval Coastal Warfare units into the active component, the

decommissioning of a Fleet Hospital, and Medical program billet reductions due to force restructuring. We expect that the requested end strength in this budget is sufficient for the Navy's Reserve to meet fleet requirements. However, ongoing initiatives and total force capability analysis may result in modifications to this target in the future.

Priority #2: Current Readiness

During Operation IRAQI FREEDOM, the Navy had eight carrier strike groups, six expeditionary strike groups, and nearly 100,000 Sailors and Marines deployed around the world in support of the Global War on Terrorism. The near term goal for the Navy's Reserve is to provide a force shaped by fleet requirements and driven by SeaPower 21. To achieve this goal, we will continue to align with the Navy, measure risk, present options and rapidly move ahead with assignment of units and personnel to match requirements with capabilities. These assessments will be driven by the question: What resources can we apply that will enhance effectiveness and efficiency, and will contribute to warfighting wholeness? If the analysis indicates that the number of reservists should be adjusted to meet current requirements and future capabilities, we will make that happen. If that means that some equipment must be retired or realigned to support the active force, then we will ensure that the Navy's Reserve is integrated with the fleet and trains on and operates the Navy's newest, most capable platforms and systems.

Following the attack on U.S.S. *Cole*, the Navy recognized the immediate need for increased force protection and added 6,619 new active component and 1,379 reserve component anti-terrorism and force protection billets. Current readiness was also enhanced in the fiscal year 2004 budget with funding to operate an additional frigate (FFG) in the Navy's Reserve Force, execute flying hours at 100 percent of requirement, and support ship maintenance to meet CNO's goal. Aviation depot maintenance funding was increased to ensure that 100 percent of CNO engine and airframe maintenance goals are achieved. In fiscal year 2004, base support funding has been consolidated Navy-wide under Commander, Naval Installations to eliminate redundancies, generate economies of scale, and provide enhanced readiness support to shore activities, both Active and Reserve. It is expected that further efficiencies will be realized by combining base support for active and reserve personnel where overlaps and excess capabilities exist.

The very much appreciated National Guard and Reserve Equipment appropriation for fiscal year 2004 provided readiness support modifications, upgrades and procurement of items for expeditionary warfare units, trainers and simulators to improve the availability of readiness training, as well to acquire eight Swiss F–5 aircraft to replace aging Reserve adversary training assets. The appropriation also included funds to complete the last two upgrades to Reserve F/A–18As to "A-Plus," providing precision strike capability and placing them on par with fleet F/A–18Cs. Funds were first applied to improve current readiness and then to enhance future readiness, and were coordinated with Navy warfare and resource sponsors.

Priority #3: Future Readiness

Improved accessibility and integration are the cornerstones of the Navy Reserve's contribution to future readiness. For example, full integration will ensure that Navy Reservists in aviation Fleet Response Units (FRU) will be able to quickly activate and support global operations under the CNO's Fleet Response Plan (FRP). Our vision is a reserve force that is better prepared and more capable for both unit and individual mobilization requirements. Co-locating our reserve personnel and hardware with their supported fleet units streamlines the activation process enabling individuals to train alongside, and be more familiar, with the units they will augment. Co-location enables FRU aircrews to train and operate state-of-the-art equipment, as well as leverage active force tactics and doctrine. Reserve experience and availability can also be used to provide onsite fleet support. Concurrently, retaining and strengthening the Squadron Augment Unit (SAU) concept continues the vital contribution that our experienced reserve instructor and maintenance cadre provides to the Fleet Replacement Squadrons (FRS). As an aside, every pilot flying combat missions in OPERATION ENDURING FREEDOM/OPERATION IRAQI FREEDOM was trained by dedicated and professional Navy Reserve aviators providing airwing adversary, Fleet exercise and training command support.

Under the guidance of Commander, Fleet Forces Command, the Navy has begun an initiative that will lead to a more integrated total force in which Navy Reserve capabilities are tied directly to active units in support of SeaPower 21 mission capabilities. The active component is currently engaged to clearly articulate requirements for the Navy's Reserve. CFFC's reserve integration cell will recommend the future Reserve force structure necessary to meet these fleet capability requirements.

Coordination has already begun with a complete zero-based review of Navy Reserve capabilities. Active duty commands have been tasked to identify their Reserve support requirements and to describe potential new capabilities they need from their Reservists to more readily meet their mission requirements.

To fully realize SeaPower 21, the Navy and its Reserve will align, organize, integrate and transform around the four warfighting pillars of Sea Strike, Sea Shield, Sea Base and FORCEnet. SeaPower 21 embodies a number of maritime capabilities that are in the domain of expertise the Navy brings to the Joint Force. To provide sufficient operational range and depth to many of these capabilities, and to efficiently and effectively meet its requirements as part of the Joint Force, Navy must leverage its investment in the extraordinary capabilities, critical skills, innovative nature, and entrepreneurial spirit of its reserve personnel.

We support the Secretary of Defense's goal of rebalancing the active-reserve component force mix to eliminate the need for involuntary mobilization, especially during the first 15 days of an operation. Our fiscal year 2005 budget submission reflects the additional active-reserve rebalancing changes needed for the Navy to meet this goal.

At present, no Homeland Defense/Homeland Security (HLD/HLS) mission has been assigned to the Navy's Reserve, but the Assistant Secretary of Defense for Reserve Affairs and the Assistant Secretary of Defense for Homeland Defense are conducting a study to determine the appropriate role of reserve components in these critical areas. Upon completion of the study, new and existing naval capabilities present in the Navy's Reserve could be assigned HLD/HLS missions. These might include Harbor Defense, Port Security, Maritime Surveillance and Tracking, AT/FP roles, Joint Fires Network Units and maintenance of shipping channels. As we move forward, evolving missions will continue to influence our force shaping and integration initiatives, with the endstate being a more combat-capable Total Force.

Priority #4: Quality of Service

Quality of Service is the combination of quality of life and quality of work. It is about achieving balance, personal and professional. The Navy will continue to strive to make available the best facilities and equipment to train, deploy and fight, and our Reservists will benefit from ongoing integration and alignment efforts. Ensuring that our Navy's Reservists can rely on predictability, periodicity, pay and benefits, will greatly assist each Sailor to achieve that balance.

—*Predictability*.—Every Sailor in the Navy's Reserve wants to make a difference and needs to know with reasonable advance notice, when and where they will train or perform operational support, whether mobilized, on active duty orders or on routine drills. As part of a fully integrated force, Reservists will train or perform meaningful work that provides or enhances capabilities required by the fleet. Additionally, individual reservists will be able to anticipate drills and periods of active duty through processes that will track and match necessary skills to appropriate billets or orders.

—*Periodicity*.—Individual reservists' availability varies during the year and with each employer. These periods of availability can be leveraged to enable each Sailor to provide meaningful fleet support. "Flexible drilling" is encouraged to allow reservists to combine traditional drill weekends to work for a week once a quarter, two weeks every six months, or even for several weeks once a year to satisfy participation requirements. If a unit or individual is called to mobilize, reservists should receive as much notice as is possible, with a target of 30 days, to help minimize potential employer or family conflicts.

—*Pay and Benefits*.—Reservists should be assured that their benefits will appropriately address their individual and family needs, whether serving at home or abroad. Development of a single pay and benefits system continues to be a priority to standardize the administration of both active and reserve personnel in all services.

Continuous professional improvement is important to every Sailor, active and reserve. Accordingly, the Navy's Reserve is a full partner with the Navy in the Sea Warrior initiative, enabling an individual to easily access and monitor their career progression and future options. Navy Reservists have full access to both the Navy-Marine Corps Intranet (NMCI) as well as the Navy Knowledge Online (NKO) web portal, which connects every Sailor, active, reserve or retired, and families, to information that will significantly aid in their overall education, growth and development.

Priority #5: Alignment

The Navy will continue to take an active role in optimizing the balance of active and reserve forces to support our National Military Strategy (NMS) and win the

Global War on Terror (GWOT). We recognize that this balance is dynamic and we continuously review our force structure and capability in order to improve integration and alignment. Integration provides the Navy's Reserve a path to current equipment, concepts and tactics, thereby increasing combat readiness and warfighting wholeness. Through integration, the Navy's Reserve will become a more capable and agile force with increased warfighting capability and a much-improved ability to meet fleet requirements.

In support of alignment and efficiency, we recently consolidated three Navy Reserve staffs in New Orleans into a single Echelon III staff to function as the provider of reserve capabilities to Fleet Forces Command. Commander, Naval Air Forces Reserve (CNAFR) has been assigned as Vice Commander Naval Reserve Forces Command, further aligning reserve capabilities under a single structure to work with the active component to fully align and integrate the Navy's Reserve. CNAFR has also been assigned additional duty to Commander, Naval Air Forces (CNAF) in San Diego, CA, to align active and reserve aviation capabilities.

We are embedding key Full-Time Support staff in headquarters, fleet and type commands. We have developed strategic linkages between Reserve Forces Command and Fleet Forces Command with tangible results, and continue to build new bridges throughout the Navy. This was done to more closely align reserve and active forces and to improve combat effectiveness and efficiency. These actions will strengthen ties between the Navy's active and reserve forces and are the first steps in an overall initiative that seeks to define, and subsequently forge a cohesive "total force" team that can more effectively satisfy the Navy's operational requirements. We will continue to identify and propose practical ways to better integrate reservists and equipment with the fleet, and have taken steps to accelerate and solidify our integration efforts. We are also participating in a new officer exchange program with other Guard and Reserve components, starting with the Army National Guard. This initiative will lead to full integration at National Guard State Headquarters Command Units to support Northern Command's Homeland Security initiatives.

ACCOMPLISHMENTS

Today's strategic environment requires naval forces that can rapidly deliver decisive combat power through a rotational, surge capable force. Operations ENDURING FREEDOM and IRAQI FREEDOM demonstrated not only the tactical value of this operational concept, but also the potent warfighting capabilities of a flexible, responsive maritime force, operating either independently or as part of a broader Joint Force. The Navy's Reserve played a significant role in the surge to war.

On September 17th, 2001, the first mobilization orders were sent to the force. Since that day, 4,537 officers and 18,436 enlisted personnel have been mobilized, providing operational support to either their supported commands or to Combatant Commanders around the world. With respect to OPERATION IRAQI FREEDOM, 12,046 Navy Reservists served their country in Navy and joint commands. While some units and equipment were mobilized in support of OPERATION IRAQI FREEDOM, we have been able to maximize individual mobilizations to support requirements submitted by Combatant Commanders, validated by the CNO's staff, and ordered to active duty by the Chief of Naval Personnel. For example, 362 drilling reservists were mobilized to augment the staff of Commander, U.S. Fifth Fleet, the Naval Component Commander for Commander, U.S. Central Command and other subordinate commands. These Navy Reservists supported this active duty staff in the development of the OPERATION IRAQI FREEDOM air plan. Since January 2003, 478 Navy Reservists attached to Navy Cargo Handling Battalions across the United States were mobilized to facilitate the movement of cargo from bases in the United States and overseas to the Central Command area of operation theater in support of Operation IRAQI FREEDOM.

A group of Navy Reservists from Fort Worth, TX, made history on the decks of U.S.S. *Theodore Roosevelt* (CVN 71). For the first time since the Korean War, an entire Navy Reserve tactical aviation squadron deployed aboard an aircraft carrier when the "Hunters" of Strike Fighter Squadron 201 were ordered to active duty. Completing a short notice workup, the squadron fully integrated with the active airwing, completed 224 combat sorties, delivered 125 tons of ordnance in combat, and impressed everyone with their experience, dedication and capabilities.

When 800 active duty medical personnel from the National Naval Medical Center (NNMC), Bethesda, MD embarked in USNS COMFORT in March 2003 and another 498 NNMC medical personnel deployed as part of Casualty Receiving and Trauma Ship's team members, 548 Navy Reservists were recalled to support the National Naval Medical Center. Civilian trauma and orthopedic surgeons were mobilized to treat the wounds of those Sailors and Marines who required more specialized care.

843 Naval Reservists have been activated to support Marine Forces during the war, including 592 enlisted corpsmen assigned to provide critical battlefield medical support to front-line Marine units. 134 Navy Reserve corpsmen have recently been recalled to support the Marines' rotation in conjunction with Operation IRAQI FREEDOM II. Of these, 24 Reservists are volunteers for their second year of activation, while the remainder have just begun their first activation under the current partial mobilization authority.

Another success story was the mobilization of the "Firehawks" of Helicopter Combat Support Special Squadron Five (HCS–5) based at Naval Air Station North Island, CA, and their subsequent deployment to Iraq, where they continue to support CENTCOM operations. In March 2003, seventy percent of this squadron's Selected Reservists were recalled to active duty in preparation for Operation IRAQI FREEDOM. This squadron is composed solely of drilling Reservists and Full-Time Support personnel, and is one of two squadrons in the Navy dedicated to Naval Special Warfare support and combat search and rescue. The Firehawks fly the latest model of the HH–60H Seahawk helicopter and their average pilot has more than 12 years of experience flying, and most have over 2,500 military flight hours. Although the majority of their flights in the Iraqi theater have supported special operations ground force missions, the squadron has other warfighting capabilities. The Firehawks have participated in operations in urban areas and have assisted with medical and casualty operations. As of the 5th of March, 2004, the squadron had flown 916 sorties and logged 1,738 flight hours.

Navy Reservists from the Redwolves of HCS–4 based at Norfolk Naval Base will soon deploy to relieve the combat veterans of HCS–5. This critical capability embedded in the Navy's Reserve has proved to be invaluable in the support of special operations and the development of new tactics in the hostile urban warfare environment. It is a predictable and periodic capability that was ready when called upon; just what the vision of future reserve contributions will be. They have trained with the special warfare units and now deploy with them to combat.

Recently, over five hundred members of the Navy Reserve Expeditionary Logistics Support Force have been mobilized in support of OPERATION IRAQI FREEDOM II, and it is anticipated that over five hundred Seabees will be mobilized as well. Their combat service support capabilities are in demand to help relieve the U.S. Army and coalition forces in Iraq.

SUMMARY

Before I close, I would like to thank this committee for the support you have provided the Navy's Reserve and all of the Guard and Reserve components. Last year's budget included several positive benefits that will help us recruit and retain our talented personnel to better support the Navy and joint commands. As you can see, this is a very exciting period for the Navy and its Reserve. The CNO has challenged every Sailor to review current ways of doing business and find solutions to improve effectiveness and find efficiencies. The Navy's Reserve has accepted the challenge and promises the members of this committee that we will continue to do just that—examine all facets of our operation to support the fleet and accelerate our Navy's advantage.

STATEMENT OF LIEUTENANT GENERAL DENNIS M. McCARTHY, COMMANDER, MARINE FORCES RESERVE

Senator STEVENS. General McCarthy.

General MCCARTHY. Thank you, Mr. Chairman, Senator Inouye. It is a great honor to represent the men and women of the Marine Corps Reserve and the sailors who serve with us today.

I am proud to report to you that the past investments that this committee and indeed the entire Congress has made in the Marine Corps Reserve have paid real dividends in the global war on terrorism. Since my testimony last year, the Marine Forces Reserve has been engaged in both combat and the stability operations and in just about every other activity that the United States Marine Corps has been engaged in. We have also prepared for future operations, and today we have Marine Forces Reserve units in Iraq, in Afghanistan, and in the Horn of Africa and elsewhere around the world.

I am also pleased to report to you that while all this has been going on, we have continued to meet our recruiting goals. We have, in fact, slightly exceeded our retention goals and the trends, in terms of sustaining this force, are very positive. Like everyone, that is something that we watch very, very closely because it is not something that we can fix after we get behind on it. But I believe that the current trends are, as I say, very positive and I believe that we will be able to sustain this capability over the long haul.

I look forward to responding to your specific questions. Thank you, sir.

Senator STEVENS. Thank you very much.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL DENNIS M. MCCARTHY

INTRODUCTION

Chairman Stevens, Senator Inouye and distinguished Members of the Committee, it is my privilege to report on the status and the future direction of your Marine Corps Reserve as a contributor to the Total Force. On behalf of Marines and their families, I want to thank the Committee for its continued support. Your efforts reveal not only a commitment for ensuring the common defense, but also a genuine concern for the welfare of our Marines and their families.

YOUR MARINE CORPS RESERVE TODAY

As the last few years have demonstrated, the Marine Corps Reserve is a full partner in our Total Force. Marine Corps Reserve units participated in all aspects Operation IRAQI FREEDOM, providing air, ground, and combat service support as well as a large number of individual augmentees to Marine and joint staffs. Reserve units continue to fill critical roles in our nation's defense during the Global War on Terrorism—whether deployed in Iraq, Afghanistan, the Georgian Republic, Djibouti, Kuwait, and Guantanamo Bay, Cuba or on standby at U.S. bases to quickly respond to Homeland Security crises.

The Marine Corps has completed 27,389 Reserve activations, in response to both internal and joint operational requirements. Of the 27,389 Marines mobilized since 9/11, 1,426 (or 5.2 percent) have been mobilized more than once. For Operations ENDURING FREEDOM V and IRAQI FREEDOM II Phase II, of the approximately 6,300 eligible for activation, 3,422 Reserve Marines have already been mobilized at least once since 9/11. Marine Forces Reserve has maximized the use of Individual Ready Reserve volunteers, 4,570 have been activated to meet these requirements, primarily in the areas of staff augmentation, such as linguists, intelligence specialists, and for force protection requirements.

During the peak of Operation ENDURING FREEDOM and Operation IRAQI FREEDOM, the Marine Corps had 21,316 Reserve Marines on Active duty. Marine Forces Reserve proved once again that it was ready, willing and able to accomplish its primary mission of augmenting and reinforcing the active component by seamlessly integrating into the I Marine Expeditionary Force. As an example of the level of support Reserve Marines provided, 6th Engineer Support Battalion, the second largest battalion in the Marine Corps mobilized 1,972 of its 2,172 Marines from 11 separate sites. The unit is comprised of 10 companies spread among 12 Reserve centers across the United States. During the war, the battalion distributed 8 million gallons of fuel, produced and distributed over 3.1 million gallons of water and provided material handling support for numerous convoys. In addition, the unit built the longest Hose Reel Fuel line system (80 miles), the largest tactical fuel farm and the longest Improved Ribbon Bridge in Marine Corps' history.

The Fourth Marine Division was equally engaged. Two infantry battalions, 2nd Battalion, 23rd Marines and 2nd Battalion, 25th Marines were directly engaged in ground combat, as was 4th Light Armored Reconnaissance Battalion, 4th Assault Amphibian Battalion, and other combat support and combat service support outfits. Reserve officers and staff noncommissioned officers effectively trained their units for combat and led them successfully in battle.

Marine Reserve KC–130Ts proved their worth. Using the most modern night vision equipment, they participated in 3rd Marine Aircraft Wing's assault support effort, landing on highways and dirt strips to resupply Forward Arming and Refueling

Points that supported the I Marine Expeditionary Force's 500-kilometer drive from Basra to Baghdad and on to Tikrit.

The seamless integration of reserve units is a credit to the Marine Corps commitment to Total Force. A strong Inspector-Instructor system, providing a top notch staff of Active duty and Active Reserve personnel at each site, and a demanding Mobilization and Operational Readiness Deployment Test program ensure Marine Corps Reserve units achieve the highest level of pre-mobilization readiness. Marine Corps Reserve units train to a high readiness standard, eliminating the need for post-mobilization certification. For Operation IRAQI FREEDOM the Marine Corps Reserve executed a rapid and efficient mobilization. While some of our Reserve units deployed in as little as six days from notification, on the whole our units averaged 23 days from notification to deployment. None of our units missed their deployment window. In fact, many of our units were notified, activated, and ready to deploy faster than strategic lift was available.

The ability of the Marine Reserve to rapidly mobilize and integrate into the active component in response to the Marine Corps' operational requirements is a tribute to the dedication, professionalism and warrior spirit of every member of the Marine team—both Active and Reserve.

RECRUITING AND RETENTION

The Marine Corps Reserve has achieved historically high retention rates in fiscal year 2003 and, the retention rate for the Marine Corps Reserve remains favorable with a 7 to 10 percent increase over retention rates in the near-term past. Marine Forces Reserve will not be complacent about these positive trends. I will carefully and continuously monitor the data on both recruiting and retention, and will make every effort to stay ahead of any problems. These are areas in which we cannot wait until we are in trouble to initiate corrective measures. Every Marine Corps leader knows the role of leadership, training and family readiness programs in the recruiting and retention of our Marines.

With the accession of 6,174 non-prior service Marines and 2,663 prior service Marines, the Marine Corps Reserve met and exceeded, respectively, current recruiting goals. Current Military Occupational Specialty match rates are exceeding the goal of 75 percent with an enlisted Military Occupational Specialty match rate of 87.4 percent and officer match rate of 75.8 percent.

As of February 29, 2004, our end-strength was 40,235, which is 635 above our authorized end-strength but within the allowable 2 percent variation. Officer recruiting and retention remains our most challenging concern. This is due to the low attrition rate for company grade officers from the active force. The Marine Corps recruits Reserve officers almost exclusively from the ranks of those who have first served an active duty tour as a Marine officer. We are exploring methods to increase the participation of company grade officers in the Selected Marine Corps Reserve through increased recruiting, increased command emphasis on Reserve opportunities and participation, and Reserve officer accession programs for qualified enlisted Marines. Further, the Marine Corps supports the legislative proposal to allow bonuses for officers in the Selected Marine Corps Reserve who fill a critical skill or shortage. We currently have a shortage of Reserve company grade officers; this bonus could complement other efforts we are making to increase their participation.

MARINES AND THEIR FAMILIES

Our future success will rely firmly on the Marine Corps' most valuable asset—our Marines and their families.

Operational Tempo Relief

In addition to supporting Operations NOBLE EAGLE, ENDURING FREEDOM and IRAQI FREEDOM, Reserve Marines provided operational tempo relief to the active component. Notably, 96 Reserve Marines volunteered to participate in the West African Training Cruise-04, a biannual 6th Fleet sponsored exercise in West Africa (a first for the Marine Corps Reserve). During the months of October and November 2003, the Marines deployed to West Africa from various Reserve Training Centers throughout the United States via Air Force strategic lift. There they boarded the High Speed Vessel Swift and sailed Africa's West Coast conducting training exercises with military forces from South Africa, Cameroon, Ghana, Gambia, and Senegal.

Marine Forces Reserve also provided the majority of Marine Corps' support to the nation's counter-drug effort, participating in numerous missions in support of Joint Task Force 6, Joint Interagency Task Force-East and Joint Interagency Task Force-West. Individual Marines and Marine units supported law enforcement agencies

conducting missions along the U.S. Southwest border and in several domestic "hot spots" that have been designated as high intensity drug trafficking areas.

Similarly, 335 Reserve Marines volunteered to deploy to South America to participate in UNITAS 45–04. Sponsored by Commander, Naval Forces Southern Command, UNITAS is an annual naval and amphibious exercise that takes place throughout South America. This will be the second UNITAS sourced primarily from the Selected Marine Corps Reserve. This year the Selected Marine Corps Reserve Marines of Marine Forces UNITAS will conduct a 13-week training program at Camp Lejeune, North Carolina and subsequently embark on the U.S.S. *Tortuga*. From the *Tortuga* the Marines will disembark to conduct bilateral training with our allies in the Caribbean and the Pacific. In Peru, Marine Forces UNITAS 45–04 conduct a multi-national amphibious exercise that includes forces from Argentina, Bolivia, Chile, Ecuador, Mexico, Panama, Peru and Uruguay.

Mobilization Support

Mobilization readiness is our number one priority and the men and women in the Marine Corps Reserve have responded enthusiastically to the call to duty. Approximately 98 percent of Marines reported when mobilized. One of the keys to this success is the support given to the Marines and their family members prior to, during and after activation.

Programs such as Marine Corps Community Service One Source provide Marines and their families with around-the-clock information and referral service for subjects such as parenting, childcare, education, finances, legal issues, elder care, health, wellness, deployment, crisis support and relocation via toll-free telephone and Internet access. Marine Corps Community Service One Source familiarizes our activated Reserve Marines and their families not located near major military installations to the requirements and procedures associated with military programs such as TRICARE.

TRICARE

Marine Forces Reserve recognizes family readiness as an essential part of mobilization preparedness. Upon activation, Reserve families must make significant adjustments in lifestyle. Civilian jobs and/or educational commitments must be correctly managed: proper notifications provided to employers to ensure legal protections, continued good Marine-employer relations and an eventual smooth return. The TRICARE Prime-Remote provisions have made health care issues less challenging, with families no longer required to shift providers in order to use TRICARE benefits.

Since 9/11, Congress has gone to great lengths to improve TRICARE benefits available to the Guard and Reserve. Reserve members are now eligible for dental care under the TRICARE Dental Program for a minimal monthly fee. Mobilized Reserves are granted additional transitional benefits once their activation is complete. In an effort to increase awareness of the new benefits, Reserve members are now receiving more information regarding the changes through an aggressive education and marketing plan. And finally, the newest, temporary changes include provisional benefits to Marines and their family members 90 days prior to their activation date and up to 180 after deactivation and extending TRICARE coverage to members and their families who are either unemployed or employed but not eligible for employer-provided health coverage. The new reserve health program, being temporary, offers us the ability to assess the impact of these benefits after the trial period. We will review the effects of these programs on reservists and their families as they transition to and from active duty and look at the overall effect on retention and readiness.

Family Support

At each of our Reserve Training Centers, the Key Volunteer Network Program serves as the link between the deployed command and the families, providing unit spouses with official communication, information and referrals. This creates a sense of community within the unit. Additionally, the Lifestyle Insights, Networking, Knowledge and Skills Program is a spouse-to-spouse orientation service offered to new Marine spouses to acquaint them with the military lifestyle and the Marine Corps, including the challenges brought about by deployments. Online and CD–ROM versions of the Lifestyle Insights, Networking, Knowledge and Skills Program make this valuable tool more readily accessible to working spouses of Reserve Marines not located near Marine Corps installations. The Peacetime/Wartime Support Team and the support structure within the Inspector and Instructor staff provide families of deployed Marines with assistance in developing proactive, prevention-oriented steps such as family care plans, powers of attorney, family financial planning, and enrollment in the Dependent Eligibility and Enrollment Reporting System. Our

deployed commanding officers have confirmed the importance of this family readiness support while they were away and as part of their homecoming.

The Department of Defense has proposed an impressive package of legislative initiatives that will help us to effectively employ the Marine Corps Reserve. Of particular note are provisions which support a "continuum of service," a concept that makes it easier for an individual service-member to move on and off of active duty depending on his or her availability and willingness to serve.

PREPARATION FOR OIF II/OEF V

I am most pleased to report that every Reserve Marine deployed during Operation IRAQI FREEDOM and Operation ENDURING FREEDOM and those currently deployed into harm's way are fully equipped with the most modern Individual Combat Equipment available. Reserve Marines deployed in Iraq and Afghanistan are wearing the latest in individual ballistic body armor protection, the Improved First Aid Kit, and the new digital pattern Marine Corps Combat Utility Uniform. Additional individual equipment programs nearing production and distribution to our units include the new Lightweight Helmet, the Improved Load Bearing Equipment pack system, and the All Purpose Environmental Clothing System third-generation Gore-Tex.

Operationally, since I last testified, over 40,000 pieces of Reserve combat unit equipment including individual and crew-served weapons, night vision devices, radios, computers, vehicles, and engineer equipment have been deployed, engaged in theater, redeployed back through our Marine Corps installations, processed through the maintenance cycle, and returned to Reserve Training Centers. This equipment is poised to resource and future contingencies.

NATIONAL GUARD AND RESERVE EQUIPMENT APPROPRIATION

The $44.6 million provided by fiscal year 2004 National Guard and Reserve Equipment Appropriation will provide the Reserve Force with the systems needed to improve mission capability and readiness now and into the future. Important communications systems such as the Secure Mobile Anti-Jam Reliable Tactical Terminal, the Enhanced Position Location Reporting System and Iridium Satellite phones will greatly enhance our ability to communicate on the battlefield and, most importantly, to integrate with the active component. National Guard and Reserve Equipment Appropriation funding has allowed the Marine Corps Reserve to procure mission-critical night vision devices such as the AN/PVS–17B/C Mini Night Vision Sight (used with individual weapon systems) and the AN/PAS–13 Thermal Weapon Sight (used with crew-served weapons). These sights increase our capability to fight at night and during reduced-visibility conditions. This year's National Guard and Reserve Equipment Appropriation also funded the Electronic Warfare Suite (AFC–230) for 47 percent of our AH–1W Super Cobra attack helicopters. We require 20 additional Electronic Warfare Suites to protect the remainder of our AH–1W fleet. However, I want to assure you that every aircraft, both rotary- and fixed-wing, deploying to Iraq and Afghanistan will have the latest in Aircraft Survivability Equipment installed either prior to departure, enroute while embarked aboard amphibious shipping, or shortly after arrival in-theater. A contractor "tiger team" is scheduled to arrive in Afghanistan tomorrow, April 8, from Iraq to upgrade our UH–1N utility and AH–1W attack helicopters.

GROUND ELEMENT EQUIPMENT PRIORITIES

The increasing age of our equipment is also a challenge within the Reserve ground component. I am pleased to report that we are meeting these challenges in several areas. Of our 3,448 aging High Mobility Multipurpose Wheeled Vehicle, Basic and A1 variants, Marine Forces Reserve has so far replaced 1,162 with the High Mobility Multipurpose Wheeled Vehicle A2 variant. Of our 1,233 Five-Ton truck fleet, 604 have been replaced with the Medium Tactical Vehicle Replacement truck. Both new vehicle systems embrace the latest sustainability and maintainability technological improvements available to the Marine Corps.

We continue to receive over 300 new High Mobility Multipurpose Wheeled Vehicle A2s each year and project complete replacement of our fleet by fiscal year 2009. We are scheduled to receive an additional 301 Medium Tactical Vehicle Replacement trucks between now and November 2004 with the remaining balance scheduled to be delivered by the end of fiscal year 2005.

Efforts to improve our communications capabilities have focused on increased fielding of several tactical single-channel radio programs including the PRC–117 satellite radios, PRC–150 high frequency radios and PRC–148 squad radios. Previous National Guard and Reserve Equipment Appropriation funding allowed Ma-

rine Forces Reserve to buy state-of-the-art battery chargers, power adapters for single-channel radios, and power inverters, providing a range of alternative power options comparable to active component units.

As I mentioned earlier, mobilization readiness is my number one priority. In order to continue seamless integration into the active component, my ground component priorities are the sustained improvement of individual Marine protective equipment and overall equipment readiness. With your continued support, Marine Forces Reserve will deploy Marines with the best available individual and unit equipment needed to accomplish their mission and return home safely.

AVIATION ELEMENT EQUIPMENT PRIORITIES

Maintaining current readiness levels will require continued support as our equipment continues to age at a pace exceeding replacement. Within Reserve aviation, the average age of our youngest platform is the UC–35 at 6 years, followed by the AH–1W Cobra at 11 years, the CH–53E at 16 years, the KC–130T at 18 years, the F/A–18A at 20 years, and the F–5 at 31 years. Our oldest platforms—platforms that have exceeded programmed service life—include the UH–1N at 31 years (20-year service life) and the CH–46E at 37 years (20-year service life with "safety, reliability, and maintainability" extension to 30 years). Maintaining these aging legacy platforms requires increased financial and manpower investment with each passing year due to obsolescent parts and higher rates of equipment failure. For example, for every hour the CH–46E is airborne, an average of 25.2 maintenance man-hours are required. Continued support for airframe and avionics upgrades—pending the arrival of the next generation of aircraft—reduces maintenance man-hours and increases the availability and capabilities of our aircraft.

We are thankful for and remain confident in the readiness of the Marine Corps Reserve, and we seek your continued support in the fiscal year 2005 President's Budget. Your continued support is critical in our ability to maintain readiness and mission capability to support operations in support of the Global War on Terrorism.

INFRASTRUCTURE

Marine Forces Reserve is and will continue to be a community-based force. This is a fundamental strength of Marine Forces Reserve. Our long-range strategy is to maintain that fundamental strength by maintaining our connection with communities in the most cost effective way. We do not want to be located exclusively in just several large metropolitan areas or consolidated into a few isolated enclaves.

We seek every opportunity to divest Marine Corps-owned infrastructure and to locate our units in Joint Reserve Centers. Marine Forces Reserve units are located at 187 sites in 48 states, the District of Columbia, and Puerto Rico; 33 sites are owned or leased by the Marine Corps Reserve, 154 are either tenant or joint sites. Fifty-three percent of the Reserve centers we occupy are more than 30 years old, and of these, 37 are over 50 years old.

Investment in infrastructure has been a bill-payer for pressing requirements and near-term readiness for most of the last decade. The transition to Facilities Sustainment, Restoration and Modernization funding has enabled us to more accurately capture our requirements and budget accordingly. Similar to the active component, we do not expect to be able to bring our facilities to acceptable levels of readiness before fiscal year 2013. In fiscal year 2003 we funded seven Whole Center Repairs in a step forward to meeting the fiscal year 2013 goal. This will reduce the facilities currently rated below acceptable levels to 58 percent. While the fiscal year 2005 Presidential Budget provides a nearly 39 percent increase in our sustainment budget, we still face a backlog in restoration and modernization across the Future Years Defense Program of over $30 million. The majority of this backlog requires Military Construction funding due to the deterioration of our facilities, but it also includes Operations and Maintenance-funded whole center repair projects and site improvements at Reserve Training Centers in Texas, New York, Florida, and Washington. Maintaining facilities adequately is critical to providing quality-training centers that support the readiness of our Marines. Replacing inadequate facilities is also part of our overall infrastructure program. The yearly Presidential Budget average for new military construction of $8.67 million for the previous six fiscal years has allowed us to address our most pressing requirements.

Past vulnerability assessments identified $33.6 million in projects to resolve anti-terrorism/force protection deficiencies at the 41 sites that we own or at which we have responsibility for site maintenance. We have expended $8.3 million the last two years to reduce these vulnerabilities. The age of our infrastructure means that much of it was built well before anti-terrorism/force protection was a major consideration in design and construction. These facilities will require anti-terrorism/force

protection resolution through structural improvements, relocation, replacement or the acquisition of additional stand-off distance. All these expensive solutions will be prioritized and achieved over the long-term to provide the necessary level of force protection for all our sites. We continue to improve the anti-terrorism/force protection posture at our Reserve Training Centers and are acting proactively to resolve the issues and deficiencies.

MODERNIZATION AND TRANSFORMATION

Command, Control, Communications, and Computers

With your help, we have made great strides in Command, Control, Communications, and Computers equipment readiness during the past year. Marine Forces Reserve's Command, Control, Communications, and Computers readiness increased noticeably, due to the fiscal year 2003 National Guard and Reserve Equipment Appropriation. As I speak to you today, a detachment of our 4th Air Naval Gunfire Liaison Company is in Iraq, outfitted with high frequency and satellite radio equipment almost completely procured with the fiscal year 2003 National Guard and Reserve Equipment Appropriation funds. This marks the first time in the past year and a half a Reserve Air Naval Gunfire Liaison Company unit performed its mission without provisioning radio equipment from its gaining force commander.

There are a few areas that I would like to bring to your attention in which you may again assist us. Because of the increased reliance on Marine Forces Reserve's military police and civil affairs capabilities, we have validated an additional requirements for 200 handheld radios. Critical new requirements have emerged for our civil affairs groups' coordination and command-and-control capabilities such as the additional validated need for 100 AN/PRC–148 handheld radios and 50 single channel/satellite AN/PRC–117 radios to meet the unexpected growth in civil affairs capabilities.

Digital Data Servers

Progress has been made in fielding new equipment to bridge the gap between active component units and their Reserve counterparts. However, there are areas of improvement in which you can help speed the closure of the gap.

Prior to completion of Marine Forces Reserve fielding, 24 Digital Data Server suites were reallocated to support training requirements for Operation IRAQI FREEDOM.

Enhanced Data Relay

Today, battalion-level units in the Total Force are unable to receive robust data communications beyond line-of-sight. Regimental-level units rely on satellite and multi-channel radios to maintain reliable secure data communications to senior and parallel headquarters across the battlefield. The data link down to battalion-level units is the Enhanced Position and Location Reporting System, but it has a range limited by line-of-sight. The range limitation does not allow the secure data communications to be extended from the Regimental level to distant or fast moving battalion-level and below units. The Marine Corps Command-and-control on-the-move Network Digital Over-the-Horizon Relay initiative is an attempt to extend data networks beyond line-of-site. This initiative uses satellite and ground radio relays mounted on High Mobility Multipurpose Wheeled Vehicles in three variants. It also allows units to use standard radios to connect to tactical data networks. Though in the early stages of development, the Marine Corps Reserve's tactical Command, Control, Communications, and Computers effectiveness as well as that of the active component could be significantly enhanced with funding and fielding of the Command-and-control on-the-move Network Digital Over-the-Horizon Relay initiative.

Navy-Marine Corps Intranet

With the delay of Marine Forces Reserve's transition to the Navy-Marine Corps Intranet, many Marine Reserve units have not received up-to-date hardware to replace their aging computers. At least 12 percent of our computers are incapable of running the Marine Corps-approved operating systems, creating compatibility and reliability issues. Marine Forces Reserve is advance-fielding Navy-Marine Corps Intranet deployable computers to units deploying for operations to mitigate this problem. While this is a quick fix, it does not solve the primary issue of aging computers in the Force. Presently, Marine Forces Reserve is only funded for approximately 8,000 Navy-Marine Corps Intranet computers. Unfortunately this leaves 6,000 required Navy-Marine Corps Intranet computers, in the form of user seats. Without the funding to replace our aging computers, Marine Forces Reserve will have to contend with critical long-term computer compatibility and reliability issues.

AN/PRC–150

The fiscal year 2004 National Guard and Reserve Equipment Appropriation significantly mitigated our high frequency radio readiness issues with the purchase of man-packed AN/PRC–150 radios to replace the obsolescent AN/PRC–104s. However, the acquisition objective for AN/PRC–150 radios will grow as more of the 20-year-old AN/PRC–104s become unserviceable. We appreciate your continued support for the funding of the AN/PRC–150s which will keep potential high frequency radio readiness issues at bay.

As the transformation of our Force continues, there will be a greater need for newer tactical Command, Control, Communications, and Computers equipment to fill voids in satellite communications and data communications areas. Requirements for the Lightweight Multi-band Satellite Terminal will increase to provide the same wideband satellite communications capability resident in the active component's major communications units. Tactical data network requirements will continue to grow and so will the need for a continued refreshing of computer technology in the Force. During the next year, requirements for additional Lightweight Multi-band Satellite Terminals and tactical data network equipment will be identified for funding.

In the past few minutes, I pointed out several challenges in Command, Control, Communications, and Computers readiness for Marine Forces Reserve. However, I want to emphasize that while challenges remain, your support in providing a path for us to replace and sustain our Command, Control, Communications, and Computers equipment has placed your Marine Reserve in a much better Command, Control, Communications, and Computers posture than a year ago.

CONCLUSION

The Marine Corps Reserve is ready, willing and able to answer our Nation's call to duty in the Global War on Terrorism, as has been so well demonstrated by the mobilization and integration of Reserves into the active component. Our greatest asset is our outstanding young men and women in uniform. The Marine Corps appreciates your continued support and collaboration in making the Marine Corps and its Reserve the Department of Defense model for Total Force integration and expeditionary capability.

STATEMENT OF LIEUTENANT GENERAL JAMES E. SHERRARD, III, CHIEF, AIR FORCE RESERVE

Senator STEVENS. General Sherrard, I believe this is your last visit with us. We thank you for your dedication to the Air Force Reserve and for being with us in the past years. We wish you well. We would be pleased to have your statement.

General SHERRARD. Thank you, Senator. Thank you very much. On behalf of the almost 79,000 military and civilian members of the Air Force Reserve, it is indeed my honor and privilege to be here to speak on their behalf before this distinguished committee.

I would tell you, sir, that we have had more than 28,000 Air Force Reservists mobilized since September 11th and currently have over 5,600 serving today. They have served with distinction and we are awfully proud of that. We believe that their capabilities which they provide to our Air Force are essential and they are truly a result of our priorities that we have established over the years and continue to carry our top three priorities, the first being people, the second being readiness, and the third being modernization.

RECRUITING AND RETENTION

Under the people priority, recruiting and retention are essential for us. On the recruiting side, as I have testified before this committee previously, we continue to be challenged by the smaller number of members that are separating from the active force. So, therefore, we must place our focus more on the non-prior service

members. We are finding that we can recruit those members. It certainly takes a longer time for our recruiting force, but the major challenge is the longer period it takes for them to gain the experience level that is necessary for them to do the things that we ask of them. Our history has always shown us that the high technological needs of our service demands an experienced force, and we certainly need to do that.

RETENTION

On the retention side, again as I have testified previously, I continue to stress the need for us to be able to retain our members, particularly those who have reached the point of 20 satisfactory years of service and realizing that the experience level is exactly the one we want to make sure that we do not let leave our fold, and if we can retain the members to their maximum military service separation date or high year tenure date for our enlisted members, then we have a much better and more capable force.

FAIR REPRESENTATION AND COMPENSATION

The third piece of the people side of the house is equal and equitable or fair representation and compensation and making certain that when our members are activated, they in fact are receiving the benefits that do not put them at a disadvantage to those that they are serving with.

READINESS

On the readiness side, we take great pride in the Air Force that there is one tier of readiness. The active Air Force creates the standard. We in the Air Force Reserve Command train to that standard and the active force evaluates it, and that has been the key to our success that when our members show up in theater, they are ready to go as a full combat-ready force ready to meet the challenges that come their way.

MODERNIZATION

And under modernization, I must tell you and echo what my colleagues have said. We thank you so much for the NGREA dollars that have been provided to us. They have allowed us to modernize and maintain our fleet in a form that makes them relevant and most assuredly capable. We need to continue to pursue that, making certain that we give our members the very best equipment possible to do the job, making certain that it is relevant and interoperable with not only the active force but with our coalition partners.

We need to continue to watch very carefully the modernization side and work very diligently, as was mentioned by the first panel, to look at integrating our units better operationally. We in the Air Force Reserve Command have been using the associate concept since 1968. It has served us well and there are certainly different ways of utilizing that particular endeavor and we are seeking and doing those today, whether it be in the Airborne Warning Air Control System (E–3A) (AWACS) mission in the Specialized Undergraduate Pilot Training (SUPT) program and we continue looking in the fighter associate and other arenas.

I look forward to your questions, sir.
Senator STEVENS. Thank you very much.
[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL JAMES E. SHERRARD, III

Mr. Chairman, and distinguished members of the Committee, I would like to offer my sincere thanks for this opportunity, my last, to testify before you. As of September 30, 2003, United States Air Force Reserve (USAFR) has a total of 8,135 people mobilized under Partial Mobilization Authority. These individuals are continuing to perform missions involving: Security, Intelligence, Flight Operations for Combat Air Patrols (CAPs), Communications, Air Refueling Operations, Strategic and Tactical Airlift Operations, Aero Medical, Maintenance, Civil Engineering and Logistics. The Partial Mobilization for the Global War on Terrorism (GWOT) is the longest sustained, large-scale mobilization in the history of the Air Force. AFR mobilizations peaked at 15,332 on April 16, 2003 during OIF with a cumulative 28,239 mobilizations sourced in every contingency supporting GWOT since September 11, 2001. Early GWOT operations driven by rapid onset events and continued duration posed new mobilization and re-mobilization challenges, which impacted OIF even though only a portion of the Reserve capability was tapped.

In direct support of Operation ENDURING FREEDOM (OEF), Operation IRAQI FREEDOM (OIF), and the Global War on Terrorism (GWOT), Air Force Reservists have flown a multitude of combat missions into Afghanistan and Iraq. The 93rd Bomb Squadron is an example of one of the many units to successfully integrate with active duty forces during combat missions in OEF and OIF. Reserve crews, which comprise eight percent of the conventional crews, flew on 42 percent of all B–52 combat missions during four combat deployments in support of these operations. The 93rd Bomb Squadron performed many operations that were a first for B–52 operations as well as demonstrating maximum flexibility as a war-fighting unit. One of their B–52's was the first to employ Precision Strike Laser Guided Bomb self-designate capability using the LITENING II targeting pod. Reserve aircrews have also flown C–17 airland/airdrop missions into Afghanistan and Iraq delivering humanitarian aid and supplies for the warfighting effort. They also provided air refueling tanker crews and support personnel from the 434th Air Refueling Wing at Grissom ARB, Indiana (KC–135) and 349th Air Mobility Wing at Travis AFB, California (KC–10). Additionally, Air Force Reserve F–16 units have been involved in support of Operation NOBLE EAGLE (ONE) by flying combat air patrols over key American cities (301st Fighter Wing, JRB NAS Fort Worth, Texas, 482d Fighter Wing, Homestead ARB, Florida, and 419th Fighter Wing, Hill AFB, Utah). These units were also deployed at various times in support of OEF and OIF operations.

RECRUITING

The Air Force Reserve continued to address new challenges in 2003. Partial mobilization persists, though it's reducing day-by-day, but volunteerism continues to be a significant means of contribution. Dedicated members of the Air Force Reserve continue to meet validated operational requirements. Recruiting and retention of quality service members is taking top priority for the Air Force Reserve Command (AFRC) and competition for these members among other services, as well as within the civilian community has reached an all-time high.

AFRC end strength for fiscal year 2003 was 98.8 percent of authorized end strength.

Recruiting continues to pose other significant challenges as well. The pool of active duty separatees continue to shrink from its peak prior to force reduction over a decade ago, and a perceived likelihood of activation and deployment are being cited as significant reasons why separating members are declining to choose continuing military service in the Reserve. These issues further contribute to the civilian sector's ability to attract these members away from military service.

The Air Force Reserve is developing a strategy to take advantage of an active duty Force Shaping initiative. Within this fiscal year, Air Force will offer active duty members the opportunity to use the Palace Chase program to change components. While the details are not fully approved, the Air Force Reserve may have an unprecedented opportunity to access prior service members in critical career skills.

We are hopeful that we will be able to preserve the training and experience of some 16,000 personnel who may take advantage of the opportunity to serve under Palace Chase, but we must ensure the right force mix and the right faces to match our vacancies—it's not just a "numbers drill".

One consequence of the reduced success in attracting separating members from Active Duty is the need to make up this difference through attracting non-prior service members. While having enough Basic Military Training and Technical Training School quotas has long been an issue, the increased dependence on non-prior service accessions strains these requirements even further.

RETENTION

Though retention was enhanced through "Stop-Loss" in the previous two years, the eventual effects of this program may be felt in this fiscal year. Even though "Stop-Loss" was terminated in June 2003, the six-month manning policy provides an additional period of relief. Coupled with the policy to establish a separation date six months from the end of re-deployment, if there will be a subsequent impact on retention, it will be felt in this fiscal year.

We continue to look for viable avenues to enhance retention of our reservists. The reserve enlisted bonus program is a major contributor to attract and retain both unit and individual mobilization augmentee members in those critical (Unit Type Code tasked) career fields. We successfully increased the prior service enlistment bonus amount to $8,000 this past year for a maximum six-year enlistment in accordance with related legislative authority granted in 2003. We continue to explore the feasibility of expanding the bonus program across AFRC as determined necessary; however, no decision has yet been made to implement. The Aviation Continuation Pay (ACP) continues to be offered as an incentive for active duty (AGRs).

One of the most positive quality of life enhancements occurred when the Department of Defense reduced the required threshold for dependent eligibility for TRICARE Prime from 179 days of consecutive active duty to 31 days of duty. This threshold reduction allows for greater dependent health care for the vast majority of Reserve members serving on periods of active duty, and will greatly increase volunteerism across the force for a wide variety of requirements. Additionally, the 2004 NDAA provides for three temporary improvements to the overall TRICARE system for Air Force Reserve members: access to heath care for inactive members and their dependents, provided they are eligible for unemployment compensation or not otherwise eligible for employer-provided health care; earlier TRICARE eligibility for Air Force Reserve members with delayed effective-date activation orders; and finally, the period of time granted for transition health care coverage was expanded from 60 and 120 days up to 180 days for certain members separating from active duty. These vast improvements in the TRICARE program, though temporary, will continue to pay dividends in the quality of life characterization for our Air Force Reserve members, and ultimately serve as a critical readiness tool.

Space Operations

Air Force Reserve Command (AFRC) provides over 1,100 trained space officer, enlisted, civilian, and contractor personnel at more than 15 locations to acquire, plan, launch, task, operate, assess, and protect more than 28 weapon systems at 155 units worldwide for Air Force Space Command, United States Strategic Command, Headquarters Air Force, National Reconnaissance Office, and others. An annual budget of over $22 million funds AFRC space operations and requirements providing command, control, computers, communication, intelligence, surveillance, reconnaissance (C^4ISR), navigation, weather, missile warning, network security and force protection support to warfighters around the globe.

—Nine associate units at four locations operate Global Positioning System (GPS), Space-Based Infrared System (SBIRS), Defense Support Program (DSP), and Defense Meteorological Satellite Program (DMSP) satellites; fully integrate with the Network Operations and Security Center (NOSC) and Space AOC; conduct test and space aggressor activities; and provide security forces for land-based facilities.

—Nearly 700 individual mobilization augmentees (IMAs) at more than 15 locations provide support in all areas of the "cradle-to-grave" life cycle of national space assets.

—AFRC space personnel have been fully involved in planning and executing military activities supporting Operations NOBLE EAGLE, ENDURING FREEDOM, IRAQI FREEDOM, and NORTHERN and SOUTHERN WATCH.

—Reserve Associate Programs have been highly successful and are projected for additional growth in the future. Associate unit concepts being studied include space control, launch operations, ICBM communications, and Space Operations School.

Associate Program

The Air Force Reserve Command (AFRC) Associate Program meshes reserve units with active-duty units at bases throughout the United States. AFRC units use host aircraft and equipment for their training and work directly with their active duty counterparts. Associate mobility units fly C–141 Starlifter, C–5 Galaxy, and C–17 Globemaster III transports along with KC–10 Extender and KC–135 Stratotanker tanker aircraft. In the spring of 1996, AFRC began filling aircrew and maintenance support personnel positions in the 513th Air Control Group, an E–3 Sentry Airborne Air Control System unit.

AFRC is continuing to expand the scope of the associate program into new mission areas. New units supporting Air Education and Training Command's undergraduate pilot training program are being managed by the 340th Flying Training Group located at Randolph Air Force Base, Texas, and the 301st Fighter Squadron, F–16 associate instructor pilot program at Luke Air Force Base, AZ. AFRC has an associate fighter unit at Shaw Air Force Base, SC, associate pilots flying F–16s with the "Aggressor" squadron at Nellis AFB, NV, and an associate flight test unit integrated with the Federal Aviation Administration.

The flexibility of the Associate program allows for the effective and efficient use of highly trained AFRC aircrew members. Associate units also provide aircraft maintenance personnel to maintain the active duty aircraft ensuring the utilization of our air frames to the maximum extent.

The 919th Special Operations Wing, Duke Field, FL, trains in one of the U.S. military's most unique missions—special operations. Wing aircraft include MC130E Combat Talon I aircraft equipped for use in night/adverse weather, low-level, deep-penetration tactical missions. These aircraft have also been modified to conduct air-to-air refueling with special operations helicopters. In February 2000, the 8th Special Operations Squadron (active duty) joined the 711th SOS at Duke Field as a reverse associate unit—meaning active duty personnel fly reserve-owned aircraft. The 919th SOW manages all Talon I aircraft in the Air Force inventory. This is a first for Air Force Special Operations Command and the second time in Air Force history since the EC–121 mission.

The wing also flies the MC–130P Combat Shadow aircraft (5th SOS), which has been modified with new secure communications, self-contained inertial navigation, countermeasures systems and night vision goggle-compatible lighting. The aircraft's primary mission is to conduct single-ship or formation in-flight refueling of special operations helicopters in a low to selected medium-threat environment. On October 1, 1999, the 5th SOS moved to Eglin AFB to join the 9th SOS (active duty) as an associate Reserve unit. This marked another first in the special operations mission area. Finally, as mentioned above, the Associate program in the space operations arena is rapidly expanding.

Associate units provide several benefits and enhancements to include the following: Force multiplier which increases surge capability for war time or contingencies; continuity as AFRC forces provide stability and a service option for departing active duty personnel; experience as Reservists tend to have more years of service and bring invaluable civilian experience and knowledge to the military; and efficiencies due to Reserve cost savings and sharing of weapon systems and equipment.

MODERNIZATION

Effective modernization of Air Force Reserve assets is a key issue to remaining a relevant and combat ready force. It has been and continues to be apparent that the Reserve Component is crucial to the defense of our great nation. The events of September 11th cemented the Total Force initiatives already in place and Air Force Reserve Command (AFRC) is working shoulder-to-shoulder with the Active Duty and Air National Guard components in the long battle to defeat terrorism. Even before 9/11, USAFR was an active participant in day-to-day AF operations. USAFR is no longer a force held in reserve solely for possible war or contingency actions—we are an Operational Reserve, at the tip of the spear. It is therefore imperative that we remain a relevant and combat ready force for the future.

Our modernization strategy is sound but is dependent upon lead command funding. Lead command funding of AFRC modernization priorities continues to be one of our challenges. We continue to work with the Department of Defense and the Department of the Air Force to address our requirements. We greatly appreciate your support for the increase to the National Guard and Reserve Equipment Authorization (NGREA) funding in the fiscal year 2004 NDAA, as we strive to utilize the best technological advances available to us, to keep our people safe in current theaters of operations. Success in meeting our modernization goals depends on our cohesive and focused approach to accepting new mission areas, while ensuring the continued

success of current mission areas and robust interaction with the lead commands, as well as, keeping Congress informed of USAFR initiatives.

FLEET MODERNIZATION

F–16 Fighting Falcon

Air Combat Command and AFRC are upgrading the F–16 Block 25/30/32 in all core combat areas by installing Global Positioning System (GPS) navigation system, Night Vision Imaging System (NVIS) and NVIS compatible aircraft lighting, Situational Awareness Data Link (SADL), Targeting Pod integration, GPS steered "smart weapons", an integrated Electronics Suite, Pylon Integrated Dispense System (PIDS), Digital Terrain System (DTS), and the ALE–50 (towed decoy system). The acquisition of the LITENING II targeting pod marked the greatest jump in combat capability for AFRC F–16s in years. At the conclusion of the Persian Gulf War, it became apparent that the ability to employ precision-guided munitions, specifically laser-guided bombs, would be a requirement for involvement in future conflicts. LITENING II Advanced Technology (AT), an upgrade to LITENING II, affords the capability to employ precisely targeted Laser Guided Bombs (LGBs) effectively in both day and night operations, any time at any place. This capability allows AFRC F–16s to fulfill any mission tasking requiring a self-designating, targeting-pod platform, providing needed relief for heavily tasked active-duty units. AFRC will complete the purchase of AT upgrade kits and finish pod purchases for the F–16 this fiscal year. These improvements have put AFRC F–16s at the leading edge of combat capability. The combination of these upgrades are unavailable in any other combat aircraft and make the Block 25/30/32 F–16 the most versatile combat asset available to a theater commander.

Tremendous work has been done keeping the Block 25/30/32 F–16 employable in today's complex and demanding combat environment. This success has been the result of far-sighted planning that has capitalized on emerging commercial and military technology to provide specific capabilities that were projected to be critical. That planning and vision must continue if the F–16 is to remain useable as the largest single community of aircraft in America's fighter force. Older model Block 25/30/32 F–16 aircraft require structural improvements to guarantee that they will last as long as they are needed. They also require data processor and wiring system upgrades in order to support employment of more sophisticated precision attack weapons. They must have improved pilot displays to integrate and present the large volumes of data now provided to the cockpit. Additional capabilities are needed to eliminate fratricide and allow weapons employment at increased range, day or night and in all weather conditions. They must also be equipped with significantly improved threat detection, threat identification, and threat engagement systems in order to meet the challenges of combat survival and employment for the next 20 years.

A/OA–10 Thunderbolt

There are five major programs over the next five years to ensure the A/OA–10 remains a viable part of the total Air Force. The first is increasing its precision engagement capabilities. The A–10 was designed for the Cold War and is the most effective Close Air Support (CAS) anti-armor platform in the USAF, as demonstrated during Desert Storm, OEF and OIF. Unfortunately, its systems have not kept pace with modern tactics as was proven during Operation ALLIED FORCE. The AGM–65 (Maverick) is the only precision-guided weapon carried on the A–10. Newer weapons are being added into the Air Force inventory regularly, but the current avionics and computer structure limits the deployment of these weapons on the A–10. An interim solution using Avionics Interface Modules to integrate LITENING II targeting pods was developed by the Air Reserve Component to bring added combat capability quickly to the battlefield. This capability must be integrated permanently to bring full precision strike abilities to the fight. The Precision Engagement and Suite 3 programs will further expand this combat capability and help correct limitations of aged systems. Two other programs, Embedded GPS and Integrated Flight and Fire Control Computer (IFFCC) will increase the navigation accuracy and the overall capability of the fire control computer, both increasing the weapon system's overall effectiveness.

One of the A–10 challenges is resources for upgrade in the area of high threat survivability. The Avionics to EW Buss modification will enhance survivability by providing some automated flare dispensing. Previous efforts have focused on an accurate missile warning system and effective, modern flares; however a new preemptive covert flare system may increase survivability. The A–10 can leverage the work done on the F–16 Radar Warning Receiver and C–130 towed decoy development pro-

grams to achieve a cost-effective capability. In an effort to increase loiter time, we are installing fire suppressant foam in our Sergeant Fletcher external fuel tanks, allowing removal of current flight restrictions regarding use of the external tanks in combat scenarios. Next, critical systems on the engines are causing lost sorties and increased maintenance activity. Several design changes to the accessory gearbox will extend its useful life and reduce the existing maintenance expense associated with the high removal rate. However, the A/OA–10 has a thrust deficiency in its operational environment. As taskings evolved, commanders have had to reduce fuel loads, limit take-off times to early morning hours and refuse taskings that increase gross weights to unsupportable limits. AFRC A/OA–10s need upgraded structures and engines.

B–52 Stratofortress

In the next five years, several major programs will be introduced to increase the capabilities of the B–52 aircraft. Included here are programs such as a Crash Survivable Flight Data Recorder and a Standard Flight Data Recorder, upgrades to the current Electro-Optical Viewing System, Chaff and Flare Improvements, and improvements to cockpit lighting and crew escape systems to allow use of Night Vision Goggles.

Enhancements to the AFRC B–52 fleet currently under consideration are: Visual clearance of the target area in support of other conventional munitions employment; target coordinate updates to JDAM and WCMD, improving accuracy; and Bomb Damage Assessment of targets.

In order to continue the viability of the B–52 well into the next decade, several improvements and modifications are necessary. Although the aircraft has been extensively modified since its entry into the fleet, the advent of precision guided munitions and the increased use of the B–52 in conventional and OOTW operation requires additional avionics modernization and changes to the weapons capabilities such as the Avionics Midlife Improvement (AMI), Conventional Enhancement Modification (CEM), and the Integrated Conventional Stores Management System (ICSMS). Effective precision strike capability was proven during OEF/OIF using LITENING II Targeting Pods. Permanent targeting pod integration is needed to retain this capability in the future. Changes in the threat environment are also driving modifications to the defensive suite including Electronic Counter Measures Improvement (ECMI). Modifications to enhance stand off jamming capability are also underway to bring the B–52 into the AEA arena. The B–52 in the AEA configuration will provide the United States Air Force with the capability to deny, deceive, and destroy the enemy.

The B–52 was originally designed to strike targets across the globe from launch in the United States. This capability is being repeatedly demonstrated, but the need for real time targeting information and immediate reaction to strike location changes is needed. Multiple modifications are addressing these needs. Advanced weapons integration programs are needed for Joint Air to Surface Standoff Missile (JASSM), Joint Standoff Weapon (JSOF), and Miniature Air Launched Decoy (MALD) capability to be fully realized. These integrated advanced communications systems will enhance the B–52 capability to launch and modify target locations while airborne. Other communications improvements are Link 16 capability for intra-theater data link, the Global Air Traffic Management (GATM) Phase 1, an improved ARC–210, the KY–100 Secure Voice, and a GPS–TACAN Replacement System (TRS).

As can be expected with an airframe of the age of the B–52, much must be done to enhance its reliability and replace older, less reliable or failing hardware. These include a Fuel Enrichment Valve Modification, Engine Oil System Package, and an Engine Accessories Upgrade, all to increase the longevity of the airframe.

MC–130H Talon

In 2006, AFRC and Air Force Special Operations Command will face a significant decision point on whether on not to retire the Talon I. This largely depends on the determination of the upcoming SOF Tanker Requirement Study. Additionally, the MC–130H Talon II aircraft will be modified to air refuel helicopters. The Air Force CV–22 is being developed to replace the entire MH–53J Pave Low fleet, and the MC–130E Combat Talon I. Ultimately, supply/demand will impact willingness and ability to pay for costly upgrades along with unforeseeable expenses required to sustain an aging weapons system.

HC–130P/N Hercules

Over the next five years, there will be primarily sustainability modifications to the weapons systems to allow it to maintain compatibility with the remainder of the C–130 fleet. In order to maintain currency with the active duty fleet, AFRC has ac-

celerated the installation of the APN–241 radar as a replacement for the APN–59. All AFRC assets will be upgraded to provide Night Vision Imaging System (NVIS) mission capability for C–130 combat rescue aircraft. Necessary upgrades include defensive capability for the increasing infrared missile threat such as the Large Aircraft Infrared Countermeasures (LAIRCM) system.

HH–60G Pave Hawk

Combat Search and Rescue (CSAR) Mission Area modernization strategy currently focuses on resolving critical weapon system capability shortfalls and deficiencies that pertain to the Combat Air Force's Combat Identification, Data Links, Night/All-Weather Capability, Threat Countermeasures, Sustainability, Expeditionary Operations, and Para rescue modernization focus. Since the CAF's CSAR forces have several critical capability shortfalls that impact their ability to effectively accomplish their primary mission tasks today, most CSAR modernization programs/initiatives are concentrated in the near-term. These are programs that:

—Improve capability to pinpoint location and authenticate identity of downed aircrew members/isolated personnel;
—Provide line-of-sight and over-the-horizon high speed LPI/D data link capabilities for improving battle space/situational awareness;
—Improve Command and Control capability to rapidly respond to "isolating" incidents and efficiently/effectively task limited assets;
—Improve capability to conduct rescue/recovery operations at night, in other low illumination conditions, and in all but the most severe weather conditions;
—Provide warning and countermeasure capabilities against RF/IR/EO/DE threats; and
—Enhance availability, reliability, maintainability, and sustainability of aircraft weapon systems.

Work continues on the Personnel Recovery Vehicle (PRV), a replacement for the ageing HH–60G helicopter sometime in the 2011 timeframe.

C–130 Hercules

AFRC has 127 C–130s including the E, H, J and N/P models. The Mobility Air Forces (MAF) currently operates the world's best theater airlift aircraft, the C–130, and it will continue in service through 2020. In order to continue to meet the Air Force's combat delivery requirements through the next 17 years, aircraft not being replaced by the C–130J will become part of the C–130X Program. Phase 1, Avionics Modernization Program (AMP) program includes a comprehensive cockpit modernization by replacing aging, unreliable equipment and adding additional equipment necessary to meet Nav/Safety and GATM requirements. Together, C–130J and C–130X modernization initiatives reduce the number of aircraft variants from twenty to two core variants, which will significantly reduce the support footprint and increase the capability of the C–130 fleet. The modernization of our C–130 forces strengthens our ability to ensure the success of our war fighting commanders and lays the foundation for tomorrow's readiness. Ongoing and future modernization efforts by AFRC include APN 241 Radar and Large Aircraft Infrared Countermeasures (LAIRCM) for our C–130H2/H3 aircraft. Fiscal year 2004 funds provided for APN 241 radar. LAIRCM is required to protect the aircraft from current and future IR threats. The AN/AAQ–24 LAIRCM system uses a laser beam to defeat the missile and does not rely on hazardous and politically sensitive expendables that highlight the aircraft to additional threat.

WC/C–130J Hercules

The current fleet is being replaced with new WC–130J models. This replacement allows for longer range and ensures weather reconnaissance capability well into the next decade. Once conversion is complete, the 53rd Weather Reconnaissance Squadron will consist of 10 WC–130J's. Presently, there are six WC–130J models at Keesler AFB, MS undergoing Qualification Test and Evaluation (QT&E). The remaining four aircraft currently loaned to Lockheed Marietta, will be delivered to Keesler AFB in January 2005. Deliveries are based on the resolution of deficiencies identified during tests. This will impact the start of operational testing and the achievement of interim operational capability (IOC). Major deficiencies include: propellers (durability/supportability) and radar tilt and start up attenuation errors. AFRC continues to work with the manufacturer to resolve the QT&E documented deficiencies. The 815th ALS has 5 C–130Js at Keesler AFB. Conversion to eight PAA C–130J stretch aircraft is to be completed by fiscal year 2007.

C–5 Galaxy

Over the next five years, there will be important decisions made that will change the complexion of the AFRC C–5 Fleet. Currently, there are primarily sustainability

modifications to the weapons systems to allow it to continue as the backbone of the airlift community. Two major modifications will be performed on the engines to increase reliability and maintainability. Additionally, the C–5B fleet will receive the avionics modernization that replaces cockpit displays while upgrading critical navigational and communications equipment. AFRC C–5As are not currently programmed to receive these modifications. The C–5A fleet has no Defensive Avionics Systems, and this lack of capability has significantly hampered the ability of the C–5A to participate actively in the GWOT. If these aircraft are not upgraded, then they must be retired starting in fiscal year 2008.

C–141 Starlifter

For the past 30 years, the C–141 has been the backbone of mobility for the United States military in peacetime and in conflict. In the very near future, the C–141 will be retired from the active-duty Air Force. However, Air Force Reserve Command continues the proud heritage of this mobility workhorse and will continue to fly the C–141 through fiscal year 2006. It is crucial that AFRC remains focused on flying this mission safely and proficiently until transition to new mission aircraft is completed.

KC–135E/R Stratotanker

One of Air Force Reserve Command's most challenging modernization issues concerns our unit-equipped KC–135s. Seven of the nine air refueling squadrons are equipped with the KC–135R, while the remaining two squadrons are equipped with KC–135E's. The KC–135E, commonly referred to as the E-model, has engines that were recovered from retiring airliners. The remaining KC–135Es are being retired, and are being replaced by KC–135Rs. The last AFRC FC–135E will be retired in 4Q fiscal year 2005.

The ability of the MAF to conduct the air refueling mission has been stressed in recent years. Although total force contributions have enabled success in previous air campaigns, shortfalls exist to meet the requirements of our National Military Strategy. AMC's Tanker Requirements Study-2005 (TRS–05) identifies a shortfall in the number of tanker aircraft and aircrews needed to meet global refueling requirements in the year 2005. There is currently a shortage of KC–135 crews and maintenance personnel. Additionally, the number of KC–135 aircraft available to perform the mission has decreased in recent years due to an increase in depot-possessed aircraft with a decrease in mission capable (MC) rates.

CONCLUSION

I would like to thank this committee and the Senate for your continuing support. I am proud to tell you that our Air Force Reserve Command continues to be a force of choice whenever an immediate and effective response is required to meet the challenges of today's world. For more than 30 years the Air Force has relied upon the Reserve components to meet worldwide commitments. The events of September 11, 2001 and the Global War on Terrorism continue to highlight that reliance and have changed the way we think about and employ our forces. About one in three Air Force reservists has been mobilized at some point since that time. Transformation has proven to be an important aspect of the Air Force Reserve as we become more and more relevant in today's world.

We are ready in peace or war, available for quick response, and able to stay the course when called upon. Although we are involved more now in the daily mission of the Air Force, the focus of the Air Force Reserve Command continues to be readiness—we train during periods of peace so that we are ready to perform our wartime missions wherever we are needed, whenever we are called.

Like our active duty partners, the men and women of the Air Force Reserve are very busy. Trying to balance the demands of military service, family, and a civilian profession can be a demanding task, but ours is made easier by the support we receive from the American taxpayers, Congress, the Department of Defense and the Air Force.

The Air Force Reserve Command made major Air and Space Expeditionary Force (AEF) contributions in fiscal year 2003. AFRC met virtually 100 percent of both aviation and support commitments, deployed over 23,350 (14,130 aviation and 9,220 support) mobilized and volunteer personnel to meet these commitments. The challenge for fiscal year 2004 will be to meet the continued AEF demands of the Global War On Terrorism primarily with volunteers if the number of mobilized personnel decreases.

I would like to close by offering my sincere thanks to each member of this Committee for your continued support and interest in the well-being and quality of life of each Air Force Reservist. The recent pay increases and added benefits of the last

few years have helped us through a significant and unprecedented time of higher operations tempo, calling for each member of the Air Force Reserve to give 200 percent to the mission while still keeping families and employers happy. This will be my final opportunity to represent these fine young men and women as the Chief of Air Force Reserve, and I leave, knowing that we are on the right path: a stronger, more focused, force. A force no longer in Reserve, but integrated into the very fiber of the Air Force; the tip of the spear.

Each of you can be proud of what we've accomplished together on behalf of our great nation. Again, I offer my thanks to you and my sincerest best wishes for the future.

PERSONNEL

Senator STEVENS. Let me ask all of you this question if you would respond, and I think that would take my time in the first round anyway. The Washington Post recently had an article that stated that three-quarters of Army spouses believed the Army is likely to encounter personnel problems as soldiers and their families tire of the pace and leave for civilian lives. They quoted one expert that said 2005 is a make or break year as some soldiers who have already served in Iraq for a year are sent back for a second year.

Is this going to be a problem in 2005 and should we do anything about so far as this budget is concerned? General Helmly.

General HELMLY. The article, if you remember, addressed the Active component, but I would tell you that your concerns are certainly applicable to the Reserve components, perhaps in some cases to a greater degree.

We are vitally concerned. In our case I believe that the tale will be told during the period of about May through August. That cohort for us is about 78,000 soldiers in the Army Reserve who were mobilized for the initial attack in Iraqi Freedom. That group is the group that had the shortages that the previous panel addressed in body armor, shortages of equipment, in many cases had less than 10 days' notice that they were being mobilized. That same cohort had about 8,000 Army Reserve soldiers who were demobilized only to have to be remobilized about a month and a half to 2 months later. So that is the group for us that has taken the greatest strain.

As the previous panel noted, the current mobilization—we had to clean up, fix a lot of the equipment shortage problems. We are giving much more notice to our troops now, and the flow is much smoother and in a more predictable, practiced way. Still I am very concerned.

As far as what this committee could do, we have sought help in terms of extending the targeted selected reenlistment bonus to Reserve component members. That is a $5,000 to $10,000 bonus that is widely accepted by the soldiers in theater because, of course, if they reenlist while they are in theater, then those $5,000 to $10,000 come virtually tax free. We seek your help in that.

We have forwarded a list of other policy changes to the Department of Defense recently, seeking in many cases not additional funding, but policy changes to put us on, as General Sherrard noted, a more level footing with regard to Active component members on recruiting and retention. So that is my answer. I think that fiscal year 2005 will, indeed, be a year which will tell us how well we are able to sustain an operational force with an all-volunteer force while at war.

Senator STEVENS. Thank you. Admiral Cotton?

NAVAL RESERVISTS

Admiral COTTON. Sir, since 9/11, we have had about 22,000 naval reservists recalled to active duty, including—I see a gentleman right behind you—Bob Henke who honorably served in the gulf. That is about one-fourth of our force.

I will also say that we have integrated many of our reservists into blended or associate type augment units where they can be utilized each month or surge for a few weeks to handle whatever OPTEMPO we need. So we have been able to hold down the total numbers.

Our Chief of Naval Operations usually asks the question first, let us go to the active component to mobilize someone rather than always stress the Reserve component.

I have to add that today all Admirals in the Navy, Active and Reserve, select Senior Executive Service, and our E–9, our master chief force and fleet leadership, are in Annapolis at the Naval Academy concluding a 3-day conference, the theme of which is human resources policy for the future.

I also have to say that not only are we acting together as one Navy, we are also recruiting together as one Navy, using Reserve recruiters to recruit active, active to recruit reservists, and the real recruitment for the future I think is going to be at the active duty commanding officer when a young woman or a young man is leaving the service for whatever reason. We have to retain them in the Reserve component and develop a continuum of service where these individuals can come back in and re-serve their country. So the dynamic we are looking for is how do we keep them serving, coming back, and there will probably be some initiatives that we will come up with to ensure that.

But overall, it is working well. Last month we recruited 116 percent of our goal. So we are maintaining our end strength and doing well in the Navy, sir.

Senator STEVENS. General McCarthy.

MARINE CORPS RESERVE

General MCCARTHY. Mr. Chairman, our situation is obviously different, dictated by our force structure. Seventy percent of the enlisted Marines in the Marine Corps Reserve are single, so we do not have quite the same level perhaps of spouse involvement that some of the other services do. But I think that the concern about family support and continued family support for service is one that is definitely going to be a factor as we go forward.

I will tell you that the thing that I am probably most concerned with is our ability to continue to recruit people who complete their active service and in the past have affiliated with the Marine Corps Reserve. I think that family pressures that may induce them to conclude their active service may also influence their decision as to whether to affiliate and participate with the Marine Corps Reserve. So the next couple of years are going to be telling.

In terms of what can be done, I think that a number of the initiatives that the Department has put forward this year regarding TRICARE are very positive. I think that anything the committee

can do to strengthen the Montgomery GI bill would be a very strong plus. Forty percent of the young men and women in the Marine Corps Reserve are college students, so there is a very high interest in the Montgomery GI bill.

I would second General Helmly and everybody on the panel's position with regard to equitable and the perception of equitable treatment. But we all have to be watching this the next year or 2 very carefully.

Senator STEVENS. Thank you very much.

General Sherrard.

MANPOWER

General SHERRARD. Yes, sir. I echo the comments of my colleagues, and I would tell you that we are watching our manning, in particular, with great interest because of the fact of "stop-loss" in 2002 and then it being on for a portion of 2003. The numbers in fact are slightly low in our world today, but I am confident that we will end with our end strength on target, as well as meeting our recruiting goals. The real challenge is going to be retaining those members that we have and, again, I am very proud to say that to date, those members that have been activated are being retained at a higher rate than the remainder of our force. But again, that is a small piece compared to the larger picture that we have. We have got to continue to pursue fair and equitable compensation. I really believe that is the key to success as well as our ability to retain the members after they have satisfactorily completed their 20 years of service which qualify them for retirement, but they still have in most cases 10 to 13 years remaining that they can serve in our force.

The other caution that I would say is that while we all seek those same things, each of us has different requirements and we have to be very careful that we do not do something that impacts on another service adversely. But I do believe that fair and equitable compensation, as well as understanding and looking at issues such as General McCarthy talked about, equalizing the Montgomery GI bill benefits and things of that type, will all enhance our ability to draw the very best to serve in our forces.

RETENTION

Senator STEVENS. Well, last year we provided the National Guard and Reserve Equipment Account. I am thinking this year we ought to think about some kind of a National Guard and Reserve reenlistment account that you decide how to use it best to increase your retention, aimed at retention rather than recruiting. But think about that and let us know what you would like us to do. I think each one of you has different needs and clearly General McCarthy's are not the same as yours, but they still have to have some kind of retention capability. I think we ought to look to putting some of the money we have, either this year or in the supplemental at the first of the year, to work to assure that you have got that capability. Let us know, please. We would like to work with you.

Senator Inouye.

Senator INOUYE. First of all, I agree with your plan.

Senator STEVENS. You probably thought of it and I said it.

ACTIVE AND RESERVE INTEGRATION

Senator INOUYE. BRAC is upon us again. General Sherrard, I have been advised that the Active and Reserve air forces are now working out an integration plan. Can you describe that to us?

General SHERRARD. Yes, sir. The integration plans that we are working are operational integration in terms of how we can best utilize the assets that we in the Air Force will have. As was mentioned by the first panel, one of the key ones that has truly integrated all three components serving at the same time within an organization is the Predator mission that we have at Nellis. But as I mentioned, we have been doing associate business in the large aircraft, the C–5, 141, the C–17, KC–10 business for a long time. We also have associate units in the fighter business, as well as AWACS special operations and then as I mentioned also in our undergraduate pilot training program. I would tell you operationally we integrate and serve our force very well based on the fact that, as I said earlier, there is one standard to which we all train to.

We still will have the administrative control circumstances that we have to take care of based on the law that mandates what a commander is responsible for and that has been given to each of us, as well as ensuring that we have promotion opportunities and a structure which will allow progression up through the ranks so that we, in fact, do not stymie someone simply because there is no place for them to go.

But we will continue to look at operational integration and the best utilization of the limited assets we will have utilizing the highly experienced members that we bring to the force.

Senator INOUYE. Is that plan applicable to the other Reserve components, General?

General HELMLY. Senator, it is. First of all, regarding BRAC, there is a single office in the Army that is overseeing Army planning. We have representatives there. We are a part of that. The chief of that office, a Senior Executive Service employee, briefs me regularly regarding our integrated efforts there.

I am in favor of additional joint basing and cooperation with the various State National Guards, because to the extent that we partner in that effort, we reduce the cost and investments in facilities and we are allowed to reinvest those dollars in operations training and such initiatives as the chairman spoke to for recruiting and retention.

Regarding operational integration, we have similar formations as the Air Force Reserve. We call them multi-component organizations. Those organizations are serving us very well in the logistic support and medical support areas of the Army.

JOINT RESERVE CENTERS

Admiral COTTON. Yes, sir. I would like to add that the Naval Reserve is a full participant in the Navy BRAC process and all cross-functional teams, and so we will work through our Chief of Naval Operations for the BRAC process.

I would also like to add that as I mentioned before, in Desert Storm we got it. We started integrating more. Today every naval

aviator that goes into combat has been trained by a naval reservist. It starts in the beginning, continues in intermediate and in advanced training. Every carrier group that gets trained in a joint task force exercise, the folks doing the training are naval reservists. These predictable and periodic missions that are easy to schedule are perfect for the skill sets that our senior and experienced reservists bring. So we have integrated and we are going to continue to do that and combine where it makes sense.

I would like to echo what we have all said here. For the future, when we build Reserve centers, they should be joint centers. They should be joint operational support centers. They should mirror what we have already done with the intel community, with the very successful JRIC's, the joint Reserve intel centers. There are 27 of them around the country. But if we are going to build a facility, we need to have a SCIF. We need to have a secure area, a T–1 line so that we can communicate from wherever the center is via Secret Internet Protocol Network (SIPRNET), via secured link to the supported commands. And we find if you have these kind of links, you do not need to move someone into theater. You can do the work from Continental United States (CONUS) and support the warfighter and not have to have a footprint in theater.

Senator INOUYE. General McCarthy.

General MCCARTHY. Senator Inouye, I repeat everything everybody else has said, especially with regard to joint centers. The one point I would make is that I know it is true for the Marine Corps Reserve, and I think it is true for most everyone else. We are a locally based force and while I am 100 percent in favor of consolidating into joint centers, I think we need to keep our local footprint. We need to keep those joint centers in the communities where we exist today. That is where we draw people from. That is where we represent a Marine Corps presence. So I am opposed to the idea of clustering the Reserve components in just a few large installations as sometimes gets suggested.

Senator INOUYE. The chairman and I served in the ancient war. There were many differences. For example, in the regimen I served, 4 percent of the officers and enlisted had dependents. Ninety percent of us were 18, 19, 20 and unattached. I think that was about what it was in all the United States Army. I think 10 percent with dependents and 90 percent without. Today I believe the Army has something close to 75 percent with dependents. In addition, the fact that you have embedded journalists in just about every unit brings live action into every home which was not available in my time.

Although the number of those with uniforms number just about 1 percent of the total population, it has become a national concern, a national interest. Therefore, recruiting and retention becomes a major concern to us. It may not be with us today, but with all of this happening now, we should listen to the chairman very carefully to come up with some program that will further encourage our young men and women to consider the military as a career because otherwise Congress and the administration will be called upon to use that D word. I can just see the concern in the populace when the D word comes up. So whatever you can do to enhance the re-

cruiting and retention of our forces I think would be well received by this Nation of ours.

Thank you very much.

Senator STEVENS. Thank you, Senator.

Once again, you are thinking along the same lines I was thinking about in terms of the draft. Senator Goldwater and I conspired to do away with the draft. I do not know if you know that. We certainly do not want to see it come back. I think the concept of the volunteer Army has proved itself not only in the gulf war but in this engagement for sure.

You were in the room when I asked the National Guard Generals about looking at the problem of those ammunition dumps in Iraq. I would welcome your review of that and attention. We took occasion to be briefed by the intelligence community just recently and I think it is something that is going to come to a head here fairly soon as far as Congress is concerned.

Last year Senator Feinstein asked for some specific money for that purpose and we included that purpose in with the HUMVEE upgrading and other things that really absorbed the money before that subject could be totally reviewed. And I have apologized to her for that because I think that some of us did not understand the scope of it. I certainly did not. But when you are dealing with 1,000 to 7,000 dumps of ordnance that is still usable, as far as we are informed, that is a massive problem for the world, not just for us.

So I would welcome your review and your suggestions on what we might be capable of doing in the near future. I think it may well be a problem for the United Nations and for the world to tackle, but clearly it is one of the largest problems I have ever looked at.

Thank you very much for your testimony.

SUBCOMMITTEE RECESS

We will reconvene on Wednesday, April 21 to hear testimony concerning missile defense.

Thank you very much and good luck to all of the people under your command.

[Whereupon, at 11:40 a.m., Wednesday, April 7, the subcommittee was recessed, to reconvene at 10 a.m., Wednesday, April 21.]