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**DEPARTMENT OF THE AIR FORCE
AIRCRAFT FORCE STRUCTURE
REDUCTIONS**

HEARING

BEFORE THE

SUBCOMMITTEE ON READINESS

OF THE

COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES

ONE HUNDRED TWELFTH CONGRESS

SECOND SESSION

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**DEPARTMENT OF THE AIR FORCE AIRCRAFT FORCE
STRUCTURE REDUCTIONS**

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
SUBCOMMITTEE ON READINESS,
Washington, DC, Thursday, July 12, 2012.

The subcommittee met, pursuant to call, at 10:59 a.m., in room 2212, Rayburn House Office Building, Hon. J. Randy Forbes (chairman of the subcommittee) presiding.

OPENING STATEMENT OF HON. J. RANDY FORBES, A REPRESENTATIVE FROM VIRGINIA, CHAIRMAN, SUBCOMMITTEE ON READINESS

Mr. FORBES. I want to welcome all of our members, and Governor Branstad, thank you for being here, and our other distinguished panel witnesses to today's hearing that will focus on the readiness impact associated with proposed reductions in the United States Air Force inventory.

In this year's budget request, the President proposed significant reductions in the United States Air Force aviation inventory, and proposed to retire 227 aircraft in fiscal year 2013. In supporting this request, General Schwartz, the Chief of Staff of the Air Force, indicated that the Air Force will be a smaller, but superb force that maintains our ability, our flexibility and readiness to engage a full range of contingencies and threats. Using General Schwartz's rationale, a smaller force would be capable of supporting the entirety of Air Force requirements around the globe.

My friends, I do not share General Schwartz's assessments and optimism. The force structure proposed by the President in the fiscal year 2013 budget request is not supported by the requirements and was driven by a fiscally constrained budget. In fact, the Air Force has previously provided the strategic rationale and in public testimony supported a much larger force structure.

If we adopt the budget request proposed by the President and embark on the road to reduce our force structure, we will make the United States less secure and embolden hostile nations to challenge the United States in areas that will not be to our advantage. In the end, the additional risk borne by our budget decisions of today could be paid in the loss of American lives.

I opposed dropping off the force structure cliff of the Budget Control Act, and will actively oppose the debilitating impact associated with sequestration. As to the impact of the aviation force structure reductions to the active Guard and Reserve Components, I believe that it is incumbent on all the components, to include the Council of Governors, to have an active dialogue to discuss their needs and

to develop a common understanding of the strategic implications associated with their various interests. It is only through a vigorous discussion of the Nation's interests that a clear path will be provided.

As to the road ahead, it appears that there are certain force structure movements that can be agreed by all the parties. I would hope that these agreements could be quickly concluded. This would go a long way in relieving the indecision associated with many service members as to their roles in support of national defense. I hope that our hearing today will serve to foster this additional dialogue and best serve our Nation.

Finally, I have heard that some of my colleagues have proposed an independent panel to assess the overall force structure requirements of the United States Air Force. Some critics of this proposal have indicated that the time associated with this independent assessment would significantly harm the Air Force and serve to exasperate future modernization efforts.

While I would support this independent assessment, I believe that there are elements of the overall force structure that should move forward that have broad support, and would oppose an extensive freeze of the existing force structure while this assessment is ongoing. Additional clarity on the requirements that support the overall force structure has been lacking for many years and is clearly warranted.

To better assess the overall United States Air Force aviation force structure, we have prepared two panels representing the United States Air Force and the Council of Governors. In the first panel, and representing the Council of Governors, I am pleased to introduce the first panel consisting of a single witness, the Honorable Terry Branstad, Governor of the State of Iowa.

Governor Branstad, thank you for being here.

I now would like to recognize the ranking member, Ms. Bordallo, for any remarks she may have.

[The prepared statement of Mr. Forbes can be found in the Appendix on page 43.]

STATEMENT OF HON. MADELEINE Z. BORDALLO, A DELEGATE FROM GUAM, RANKING MEMBER, SUBCOMMITTEE ON READINESS

Ms. BORDALLO. Thank you, Mr. Chairman.

And I want to welcome all of our witnesses this afternoon. In particular, thank you, Governor Branstad, for traveling to D.C. [District of Columbia].

I also look forward to the testimony from General Miller and General Lowenberg in our next panel.

We all recognize the difficult budget constraints that the Department of Defense faces. The President's budget for fiscal year 2013 is evidence of the difficult budget environment faced by our entire government. However, I think all members agree that we must have a sound defense strategy that drives resourcing and requirements over the next several years.

Secretary Panetta and General Dempsey, with the blessing of the President, released the new strategic guidance in January, and it seems sound. But many of us on Capitol Hill were deeply con-

cerned that the budget decisions did not match the strategy announced in January.

Unfortunately, this mismatch was most evident in the Air Force's budget submission. In an era where we are refocusing our military on the Asia-Pacific region and must be ready to defend the homeland from a variety of threats, the cuts in the Air Force structure did not pass muster. As such, that is why this Congress and this committee took action to halt some of these actions.

I applaud the efforts led by Congressman Loeb sack and Congressman Hunter to restore the force structure cuts to the Air National Guard and restrict the retirement of aircraft that support National Guard mission requirements. Fifty-nine percent of all Air Force cuts impacted the National Guard. Air National Guard manpower was reduced by six times the per capita of the Active Duty Air Force. And most personnel cuts occurred in the first year instead of a several-year ramp. All these cuts seem aimed at continuing by another means the 2005 BRAC [Base Closure and Realignment] round and do not make sense in the long run for our national defense.

I acknowledge the rationale that the Air Force put forward regarding these proposed cuts, but something was lacking in their analysis. There appears to have been no recognition of incorporation of Title 32 responsibilities onto their planning assumptions. Tactical aircraft such as the C-130 and the C-27J provide critical homeland defense capabilities to the governors, as well as the President.

The Air Force's budget proposal would remove critical airlift that is postured to support the nine FEMA [Federal Emergency Management Agency] regions. For example, the C-27J aircraft provides a critical and unique capability to the warfighter and to our homeland defense. And again, I believe if Title 32 civil response and homeland defense requirements were taken into consideration, the decision to terminate this program would not have been made by senior leaders.

So as such, I hope that our witnesses can comment on when we can expect the National Guard Bureau to take the lead in developing homeland defense requirements to fulfill Title 32 missions. What can be done to better incorporate Title 32 requirements in budget planning and programming with the DOD [Department of Defense]?

Further, I cannot understand the rationale for the termination of the Global Hawk Block 30 Program. Again, the strategy did not match the budget realities. I cannot understand how we can refocus on the Asia-Pacific region, yet eliminate this aircraft that performed critical missions in the Asia-Pacific region during Operation Tomodachi, taking photos of the damaged Fukushima nuclear power plant.

Yet, the solution to losing this capability is to extend U-2 flights for the indefinite future. Why, when we are considering force structure cuts in the Air National Guard, should we keep flying a manned aircraft in the place of an unmanned aircraft?

I am concerned that the Department of Defense did not appropriately utilize the Council of Governors, and that was a critical flaw in this process. I fear that the council was informed only after

final budget decisions were made, instead of engaging the council early in the budget process.

General Lowenberg aptly raises the findings in the court's *Rendell v. Rumsfeld* decision that "no change in the branch, organization, or allotment of a National Guard unit located entirely within a State may be made without the approval of a governor." I believe that if the Council of Governors had been an informed partner during deliberations regarding the budget constraints the Air Force faced in fiscal year 2013, they could have reached mutually agreeable solutions.

Again, I certainly appreciate the budget realities that face the Air Force. However, my main concern is the process used to develop the fiscal year 2013 budget which did not allow for thorough vetting of requirements with regard to Title 32 missions and in the context of the new strategic guidance. I certainly hope that this hearing can outline ways in which we avoid this type of situation in the future.

And again, I thank our chairman for holding a hearing on this important matter, and I look forward to our question and answer period.

Mr. FORBES. Thank you, Madeleine, for those comments.

And at this time, I would like to, as we previously discussed prior to the hearing, ask unanimous consent that it be made in order to depart from regular order so that Members may ask questions that follow train of thought from the preceding Member. I think this will provide a roundtable-type forum and will enhance the dialogue on these very important issues. So without objection, that is so ordered.

Also, I would like to welcome our House colleagues joining us from off the subcommittee. Two great Iowans, we have Mr. Latham and Mr. Boswell, both here with us today.

So Governor, you are well represented from Iowa.

And Ms. Hochul are also here.

With that, I ask unanimous consent that these Members be allowed to participate in today's hearing after all subcommittee members have had an opportunity to ask questions.

Is there any objection?

Without objection, non-subcommittee members will be recognized at the appropriate time for 5 minutes.

Now, I would like to recognize Representative Loeb sack for the purpose of an introduction.

Mr. LOEBSACK. Thank you, Mr. Chairman.

I would like to extend a very warm welcome to our Iowa Governor Terry Branstad. Governor Branstad has really been working very, very hard as co-chair of the Council of Governors to make sure that the governors' voices are heard in this debate.

And I publicly want to thank you for all of your fantastic work on this, Governor. Having had many conversations with you on this issue, I know that the perspective that you are going to bring today to the table will be very beneficial to this committee.

I am also very pleased that sitting directly behind the governor is Iowa's adjutant general, Major General Tim Orr. He is here with us today, and two of my colleagues, as was just mentioned, Con-

gressman Boswell and Congressman Latham. It is really, really fantastic to have you here today.

So Governor, once again welcome and thank you for being here. And I yield back, Mr. Chairman, at this time. Thank you.

Mr. FORBES. Well, thank you, Dave.

And Governor, it is now time to hear from you. We want you to know that—apologize, we may have some votes called and we may have to dance around. We know you have a hard stop. Anything that you want to give us on your opening statement, we want to hear. But also, please know that we are happy to put anything in the record you cannot get to. So we want to hear from you and now we turn it over to you.

Governor, is your mike on there?

STATEMENT OF GOVERNOR TERRY BRANSTAD, STATE OF IOWA, AND CO-CHAIRMAN OF THE COUNCIL ON GOVERNORS

Governor BRANSTAD. Thank you very much. Now, it is on. Chairman Forbes, Ranking Member Bordallo, distinguished members of the subcommittee, including our Congressmen from Iowa that have joined us, along with Congressman Loeb sack, I want to thank you all for being here.

My name is Terry Branstad. I am the Governor of the State of Iowa. I appear before you today on behalf of the National Governors Association or the NGA, and as co-chair of the Council of Governors or “Council.” Thank you for this opportunity to speak to you today regarding the U.S. Air Force’s fiscal 2013 budget request and its disproportionate impact on the Air National Guard.

I would like to begin by thanking this committee for its leadership and support for the Air National Guard. Thanks to your work and that of the Senate committee, our Air National Guard will continue to have access to the personnel, aircraft and resources necessary to fulfill the dual mission at home and abroad during fiscal year 2013. With your continued support, governors are working with the Department of Defense, or the DOD, to find solutions to the challenges facing our Nation’s military forces.

I am hopeful that we can find ways to fully leverage the operational strength and cost savings of the Air and Army National Guard as we move forward.

Governors care deeply about this dual responsibility to support both the Federal missions and the homeland security requirements that our National Guard soldiers and airmen help fulfill every day.

For my State, we have been deploying airmen overseas since the mid-1970s in support of no-fly missions and peacekeeping operations in Kosovo, the Sinai Peninsula, Kuwait, as well as Afghanistan and Iraq.

Since 2000—since 9/11 more than 17,000 Iowa National Guard soldiers and airmen have been serving on Active Duty in support of our efforts overseas.

As governor I truly understand the deep connection between my colleagues and those who serve their State and Nation. I also take very seriously the responsibilities I have to our returning veterans and to the families whose loved ones have made the ultimate sacrifice for our Nation.

In Iowa, we have lost 78 service members to the War on Terror. The National Guard has effectively balanced both mission sets at the same time. Just last year, the Iowa National Guard deployed the second brigade combat team to Afghanistan in a full spectrum mission set, making it the largest deployment of Iowa National Guard soldiers and airmen since World War II.

At the same time, we also responded to a historic Missouri River flood with approximately 1,000 National Guard service members, making this the longest duration emergency response operation in our State's history. This flood lasted from June until September.

As commanders-in-chief, governors take very seriously the duties and responsibilities placed on the men and women of the National Guard. We appreciate the need to reorganize, restructure, and modernize the military to meet the new threats and economic realities.

We also understand the need for cost effective means to achieve our goals. Governors across the country have made tough choices, but done so in a thoughtful way to leverage the most cost-effective resources available.

In the State of Iowa, we continually look for innovative ways to deliver services and have sought ways to better leverage private sector strength through public-private partnerships. I know Iowans at entities like Alcoa, Rockwell Collins, and the Rock Island Arsenal stand ready to help the Pentagon meet the budget challenges through innovative solutions.

The Guard is a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air National Guard provides 35 percent of the U.S. Air Force's capabilities for 6 percent of the budget.

Therefore, when the Air Force proposed to impose 59 percent of the total aircraft budget reductions and about six times the personnel reductions on the Air Guard, nearly every governor signed a letter to Secretary Panetta, strongly opposing the Air Force's budget proposal.

The council is a presidentially appointed, bipartisan group of 10 governors and senior Federal officials, including the Secretary of Defense, the Secretary of Homeland Security, and White House officials.

The council provided an opportunity to discuss the governors' concerns with Secretary Panetta, Air Force Secretary Michael Donley, and Air Force Chief of Staff General Norton Schwartz on February 27th.

At that time, I along with council co-chair, Governor Chris Gregoire from that State of Washington, relayed the governors' frustration and dismay at having read about these proposed cuts to Air Guard in the newspaper instead of being consulted.

While we do not expect to be involved in the day-to-day operations of the Department of Defense, we were disappointed by the lack of communications with us on such an important decision impacting our Air National Guard.

We also are concerned by the dramatic nature of the proposal and its failure to recognize the role and the importance of the Air National Guard in our State and the experience and cost effectiveness that the National Guard provides to the total force.

Governors routinely rely on the National Guard to respond to emergencies. The National Guard has highly trained and readily accessible personnel and equipment that provide credible—critical capabilities such as transportation, communications, and medical response.

The proposed reductions of the Air National Guard would have stripped States of these capabilities and upended years of carefully crafted emergency response plans. I am now in my 18th year as governor. I served 16 and came back—and during that time the Iowa National Guard has always performed to the highest of standards under the most difficult of circumstances. I am very proud of our Guard and the great job that they have done.

During the council meeting on February 27th, Secretary Panetta indicated that he understood our concerns and agreed to work with us to try to find a solution.

Following that meeting, my adjutant general, or TAG, Major General Tim Orr, as well as Governor Gregoire's TAG [The Adjutant General], Major General Tim Lowenberg, both of whom are seated behind me, engaged in discussions with the Air Force to try to identify a better solution for fiscal year 2013.

While there were several discussions in early or mid-March and we had many telephone conferences, significant differences remained with respect to the manpower reductions, fighter aircraft, and airlift needs.

On March 19, Governor Gregoire and I spoke with Secretary Donley and General Schwartz regarding insufficient progress to address the governors' concerns.

By letter that same day we encouraged them to consider cost neutral options for cross-leveling or reallocating programmed aircraft operations from the Active service to the Guard. Unfortunately, despite our outreach to the Air Force leadership and to Deputy Defense Secretary Carter, the negotiations did not resolve our key differences.

On April 23, Secretary Panetta shared a letter with us that he had sent to the Congress in which he proposed to transfer 24 C-130 aircraft from the Active service to the Air National Guard.

While we appreciate the Secretary's recognition of the governors' need for greater airlift capacity, the proposal was previously presented by the Air Force and fell far short of addressing our concerns.

As we had discussed with Secretary Donley and General Schwartz, this proposal failed to leverage the Guard's cost effectiveness to retain additional manpower, expertise, and fighter aircraft at a reduced cost to the tax payers.

Thankfully this committee as well as the Senate Armed Services Committee has put forward legislation to preserve the Air National Guard manpower and aircraft at their current levels for another year.

We appreciate that.

This temporary freeze will provide opportunities to exchange views, information, and advice on State and Department of Defense requirements for future fiscal years.

The council is working on principles in appropriate coordination points for an open channel of communication between States and

the Department of Defense on matters impacting the National Guard and its dual mission at home and abroad.

One item we have identified that contributed to this year's challenges with the Air Force was the Air Force's requirement that National Guard Bureau officials signed non-disclosure agreements on the budget process. Such a requirement creates an unnecessary restrictive process and fails to adequately include critical information from the States.

The National Guard Bureau is statutorily required to serve as the channel of communications between the States and the President and the Secretary of Defense.

Unnecessarily restricting the ability to share discreet but critical information with governors and their TAGs limits the flow of information and has resulted in disagreements that could have been largely avoided.

This is just one item we hope to discuss with the Department of Defense during the upcoming council meeting which comes this weekend down in—at the governor's meeting.

As you know, fiscal year 2014 budget proposals for the Air Force and the Army are already being developed and will soon be sent to the Secretary [of Defense] for his review. Without quick action to ensure communications with the States we may be faced with similar budget disagreement for the coming year.

We are hopeful that the ongoing focus by Congress, and the Senate committee's proposed national commission on the structure of the Air Force will encourage the Department of Defense, the Air Force, and the Army to work with us as quickly as possible to establish a better, more collaborative process for fiscal years 2014 and 2015 budgets.

So, on behalf of the Nation's governors, I thank you for your strong support for the National Guard. Your continued assistance and support will be helpful as governors work with the Department of Defense to craft solutions to the problems we share.

We thank you for the opportunity to testify before you today, and I look forward to answering any questions you might have.

Thank you very much.

[The prepared statement of Governor Branstad can be found in the Appendix on page 45.]

Mr. FORBES. Governor, we thank you and as we mentioned at the outset, you are well represented here by fellow Iowans. It shows their love for their State, but also their respect for you and we certainly share that respect, but we also appreciate the fact that you are here today on behalf of the Council of Governors and representing them.

We wholeheartedly agree with you, these gag orders have just got to stop coming out of the Pentagon, because it serves no purpose not to be transparent and get this information out.

I have three questions that I would like to get your insight on so we can get on the record.

The first one is, on behalf of the Council of Governors, can you explain to us how the Council of Governors' alternative proposal to the Air Force's fiscal year 2013 budget request developed, and what in your mind are the key takeaways of how the council's alter-

native proposal better meets homeland and national security readiness requirements than the Air Force proposal.

But second, there is a proposal as you know in the Senate to propose language that would effectively stop the transfer, divestment, or retirement of all Guard and Reserve aircraft, not only in fiscal year 2013, but also in previous fiscal years 2010, 2011 and 2012. Could you address what you think that impact would be?

And the final thing is do you think it would be fruitful for you to come back to the table with discussions with the Air Force as you were previously, and do you think we could have anything accomplished if we could effectuate that?

Governor BRANSTAD. Well, first of all, I wanted to thank General Orr and General Lowenberg. They put tremendous amount of time in this. We have had a lot of discussions.

I think we all feel now we really had to go to the Hill on this issue. We were not able to make the progress we hoped to with the Pentagon and with the Air Force.

It was not without a tremendous amount of effort. And after that meeting on the 27th, the Council of Governors, I can tell you that in fact Congressman Latham and I think General Orr rode the plane back and forth many days.

They were just talking about that before the meeting here today, because General Orr and General Lowenberg spent a lot of time in here and we—and they put a lot of effort into offering a cost-effective alternative that met the budget guidelines but did not have the devastating impact on the Air National Guard.

And this was not a perfect solution, and it obviously meant that we had to accept reductions that we, the governors, accept and understand. But we thought it was—made a lot more sense, because it is much more cost effective.

As I mentioned in my testimony, the Guard does things in a much more cost-effective way. We also have a lot of experienced pilots in the Air National Guard, more experienced than the regular Air Force, frankly. And obviously they are part-time, and so the cost is much less.

So we think the proposal that they made, made a lot of sense and basically the response back we got was this offer for these C-130s.

Well, you know, I served during Vietnam. I was stationed at 503rd Military Police Battalion at Fort Bragg. And we got deployed up here to guard the Pentagon and Arlington during one of the demonstrations here. We flew up on some of those C-130s and they were close to being obsolete in those days, and that was 1970.

So, you know, these are planes that obviously—and there was no money provided for upgrading and maintenance of them as well. This really was, I thought, not something that really met the needs of the States.

So I do not know if I have answered all of your questions, but I believe that we have some very capable people among—in all—and I would say General Orr and General Lowenberg took the lead on this, but they consulted with the other adjutant generals from representing all the other governors, all the other States and territories as well.

And we just do not feel that we got the response we should have, and from the beginning we did not have the consultation that is supposed to be required as part of the creation of the Council of Governors.

That consultation really did not occur in advance, and governors were quite disturbed that, you know, first we got the word that we are going to see this reduction in aircraft, and then it was considerable later we found there was also going to be a significant reduction in personnel.

And both of those we got very after the fact and about the same time after this happened, then we had our Air Guard unit deployed to Afghanistan, 5 days after we got the notice of what is going to happen. That is certainly not good for morale.

Mr. FORBES. Governor, thank you for that insight.

Just one last part of that question if you could address; do you think it would be worthwhile, useful, profitable to come back to the table and sit down with the council and with the Air Force to see if there are some common ground areas that could be effectuated?

Governor BRANSTAD. Well, we are going to be meeting this weekend. And, again, we are concerned that, you know, it does not look like the Secretary of Defense is going to be able to attend that meeting. And, you know, we need to have top leadership from the Pentagon and from the Air Force represented there if we are going to be able to have fruitful discussions with them. We are—the governors stand ready and willing to do that.

You also—one of the other aspects that you asked about was previous fiscal year budgets and freezing those in place as well without the changes.

I guess our feeling is we do not think—if the governors agree to it. There are some of those changes that governors readily agree to. As long as the governor—the State that is affected by it, as long as the governor signs off and agrees on it, I would say they should be able to go ahead with that.

But if there are a couple of instances I think where there are some disagreements there. That is—so I can understand where they are coming up. But I think they could on a case-by-case basis go ahead with those things that have been—as long as the governors agree upon it.

Mr. FORBES. Thank you, Governor.

Ms. Bordallo, any questions that you—

Ms. BORDALLO. Thank you very much, Mr. Chairman.

Governor, I represent the U.S. territory of Guam, where we have the largest National Guard unit per capita of any State in the United States. So you know where I am coming from.

Governor BRANSTAD. Right.

Ms. BORDALLO. Based on your experience with budget cuts in your own State, how do you see balancing the need for savings and cuts in the Air Force budget while maintaining Air National Guard readiness and a governor's civil response capability?

Governor BRANSTAD. Well, when we have to make tough budget cuts—and I had to do that. I was elected in 2010, inherited a financial mess, and we had to make some tough decisions and we ended up with a budget spending less than the previous year. That is not an easy thing to do. But we tried to really set priorities, and we

tried to do it in such a way that was not going to hurt the most important priorities we have as a State.

So, that is why across-the-board to me does not make sense. It makes—and certainly it does not when you have a cost-effective way of doing it, where you can utilize the Guard.

And part of the problem is I think historically the Pentagon kind of looked at the National Guard as a stepsister. And the whole idea is to try to change that so that the Guard would be at the table. Now the Guard is represented on the Joint Chiefs of Staff. Now we have the governors' council. All of this is good, but we need to see in reality following through what the intentions were to include the Guard as full partners.

Because the Guard is now playing a very important role, a lot of the people that are deployed, a lot of the casualties, you know, from my State have been members of the National Guard. And I go to those funerals and meet with those families. And I can tell you, they are just as important as the regular military, you know, their role.

And I will say this. They are better trained and better equipped than the regular military was when I served. So I am real proud of them from that perspective.

But I just think the proposal, the alternative that the Council of Governors offered with the good work of our adjutant generals I think was a much more cost-effective way to go about this.

Ms. BORDALLO. Well, I certainly agree with everything you have said, and the Guard is out there standing shoulder to shoulder with Active military in the war zone. So—and we on Guam also have had many, many deaths. So I certainly agree with your comments.

Also for the record, Governor, how do you suggest that we improve this process in the future so that we can avoid the problems we had this year? The actions that the House has taken are effective for only one year.

Governor BRANSTAD. Right.

Ms. BORDALLO. So we will have to address this issue again and if we do not get the process right we are going to have to come up with some solutions.

In your opinion, how can the DOD better leverage the Council of Governors?

Governor BRANSTAD. Well, they need to meet with us and they need to listen. And also, I guess, when they are working on the budget, when they have these restrictions where people cannot consult with the governors and with the adjutant generals, I think we could avoid a lot of the problems this year if we had just had that.

And I think Chairman Forbes called it kind of a gag order. You know, that is not the term that they use, but essentially that is what it is. That is why we were totally kept in the dark until this was actually announced.

And that goes contrary to the whole intent of having the Council of Governors. We are supposed to be there to consult with and collaborate with the Pentagon in doing this so we can all do it together. That is what we want to do. We want to make what was intended work in reality the way it was supposed to, and it has not happened yet.

Ms. BORDALLO. And, Governor, you certainly do not want to have to read it in the paper after all is said and done.

Governor BRANSTAD. I do not want to have to read it in the paper again. I mean, this last year was a disaster. And all of our—and I will say, our Congressmen and Senators have been very supportive and very helpful in this process all—we have spoken as a united voice. The governors, you know, 49 governors, when we were here for our meeting in February, signed on this letter to the Secretary of Defense.

So that shows strong bipartisan support for changing this process, and that is why we think this commission that the Senate Armed Services Committee is suggesting makes sense as well, so that we can look at the structure of the Air Force and why they do not seem to be willing to really work in a more collaborative way with the governors and with the adjutant generals.

Ms. BORDALLO. Thank you very much, Governor.

And I yield back, Mr. Chairman.

Mr. FORBES. Thank you, Ms. Bordallo.

The gentleman from Arkansas, Mr. Griffin, is recognized for 5 minutes.

Mr. GRIFFIN. Thank you, Mr. Chairman.

Thank you, Governor, for being here today. We have been impacted in Arkansas by some of these proposed changes, both in my district, which is around Little Rock and the Little Rock Air Force Base, as it relates to the transfer of aircraft to Little Rock Air Force Base.

But on the National Guard side of things, we are particularly impacted as it relates to Fort Smith, where we have A-10s. And that is in my colleague Representative Womack's district, but we have all as a delegation been working to try to figure out the logic of the Air Force's decision to take the A-10s that are based in Fort Smith and move them out of State.

And we have met with everybody there is to meet with pretty much, except for the President. We met, the delegation, Democrat and Republican, met with Secretary Panetta. We have met with four-stars, three-stars, two-stars, all the way down.

And what we want more than anything are facts and analysis that we can read. You would think that decisions like this involving millions and millions and billions of dollars in some instances would involve at least a memo. With all the people they got working over at the Pentagon you would think that they are not just sitting around a table, you know, making oral decisions without something documented.

What we have found is that there is nothing that they can point to, that the folks in the Air Force can point to justify some of the decisions. And I would tell you that BRAC, the 2005 BRAC concluded—"Fort Smith is an ideal location for the A-10."

And there are a lot of different reasons for that that I will not go into. But what we have said is, look, we are not going to come out as a delegation against this from the start. We just want to see how you got there; why you would take a high-value location and just say, "We are going to move the A-10s."

And all we have been able to get out of the Air Force is, and I do not know if they meant to say this, but all we have been able

to get is, "Well, there was sort of an idea that we want to have some aircraft capability in every State. So that means that we are going to have just rearrange a lot of aircraft and a lot of capabilities whether it is a good decision from a military perspective or not."

They just, I do not know if it was politically driven, but they just wanted to share the wealth and have something in every State.

So, I say all that to say we are very frustrated with the lack of data, hard data that we could study. And I would just like to get your comments and find out whether you have encountered similar problems. And again, we have met with everybody. We have asked everybody. And I would also say this, and this is a little bit unrelated to today's hearing, but we have been fighting similarly with regard to the AMP, the avionics modernization program upgrades that the Air Force wants to cancel.

We have—a lot of that affects C-130s—that does affect C-130s at Little Rock Air Force Base. Similarly with regard to that, we have been asking for facts and how they got to the decision that it was more cost effective to take the route that they want to take. And again, no memos, no internal deliberations that we have been able to see; just a fact sheet and they say, "Well, here it is."

So I would like to know, have you had difficulty getting data? And what do you think is going on?

Governor BRANSTAD. Well, I think we have had many of the same frustrations you have had just getting data and having the transparency. I mentioned, you know, we were supposed to be consulted in advance. We were not. And we think—and I just think the process needs to be improved. We are supposed to have collaboration and consultation on these things. And it seems to me that the Air Force in particular has just failed to do this.

And this is something that obviously we are going to bring up again when we meet with them. But again, we have to get their attention. We need to get the top people that are supposed to be working with the governors to actually be there in attendance so we have that opportunity to bring this message across.

But I think your frustration as a Congressman is very similar to the frustration that we have as governors and we feel, you know, we are the commander-in-chief of our National Guard, and if we do not have the capability we need and we have an emergency in our State, you know, it is our responsibility. So we want to make sure.

And my experience has always been, all the years I have been governor, I have had the honor of serving a long time, the Guard has always been there. They have always responded. They have done a phenomenal job. I just want to make sure that they are always going to be able to do that.

Mr. FORBES. The gentleman's time has expired.

The gentleman from Iowa, Mr. Loeb sack, is recognized for 5 minutes.

Mr. LOEBSACK. Thank you, Mr. Chairman.

I again would like to welcome Governor Branstad.

Governor, thank you for your testimony.

I was proud when this process was going through the committee that the bipartisan amendment to block these cuts that I offered with Congressman Hunter from California passed with such strong

support, and I really appreciate all that support from my colleagues.

And I do appreciate the ranking member's kind words about the amendment. We know about the National Guard on Guam. It is absolutely a fantastic organization. I have been overseas with Representative Bordallo and you will never forget the importance of the National Guard on Guam, if you have ever been with her on one of these congressional delegations.

Look, we all know that we are operating at a time of budget constraints. We also face threats from around the globe, as you mentioned. We really have to use taxpayer dollars as wisely as possible to protect our national security. And I am really glad that you mentioned, to that end, that the Air National Guard provides 35 percent of the Air Force's capabilities, with about 6 percent of its budget. I think that is an important point to make.

And the 132nd Fighter Wing of the Iowa Air National Guard has been recognized, as you know, as the top F-16 unit in the country, and their overall cost per flying hour is the second-lowest in the country. Yet, they found out they were slated to see their F-16s retired and over 370 personnel cut while they were deployed in Afghanistan. That is amazing.

And in 2008, when Iowa was hit with the worst natural disaster to ever affect our State, the 132nd was deployed to protect our communities.

And as the Council of Governors, and you, Governor Branstad, argued for months in discussion with the Department, the Air Force's proposed reductions would significantly affect the governors' ability to respond to emergencies such as the one we experienced in 2008, not to mention 2 years later, as well, 3 years later.

So Governor, I would, if you could, outline in a little more detail perhaps what you think about the role of the National Guard in terms of homeland response, in terms of floods, other kinds of things that the National Guard is required to do domestically with respect to homeland security, and whether any of that was really taken into account by the Air Force when they made this decision.

Governor BRANSTAD. It does not appear that they have really taken this into account. As I mentioned in my testimony, I have been governor a long time. I was governor back when we had the flood of 1993. So I have been through a lot of disasters, floods. And now we are into a drought. So I want to go back to Iowa next week and we are going to have meetings talking about the drought and the problems we are having, and you are aware of the damage that that is—

Mr. LOEBSACK. You will be in my district in Mount Pleasant.

Governor BRANSTAD. Yes, I am going to be in your district on Tuesday. And I would just say, you know, I go back even to, and I mentioned last year we had all these people deployed, but then we also were fighting the flood along the Missouri River, and that was—that went on and on and on from the first of June well into September.

I can go back even a little further. The crash of Flight 232 in Sioux City, and in fact the Air National Guard in Sioux City did the rescue. That was a terrible tragedy, a terrible crash, but a lot of lives were saved. It was so well managed because of their won-

derful training and experience and whatever, that they made it into a movie. Charlton Heston played Captain Al Haynes in that movie.

But that shows the important role that the Guard plays. And the same thing is with this unit—this fighter unit that we have at the Des Moines Airport. They are the ones that provide security there. So if we have a crash or we have some incident at the Des Moines Airport, they are the ones that are there. They have the training and experience, and they—I am sure they would do the same kind of job that the Air Guard did up in Sioux City back in the crash of Flight 232.

So that is the reason why I think it is so important. And I do not think maybe there is a—we as governors are keenly aware of it because the buck stops with us if it is a domestic situation. If it is a flood, a tornado, an ice storm or something like that, we have got to act to try to protect our citizens and do all that we can.

But—and I like the Council of Governors concept because of this now, we can have a dual role. And if we have a situation that affects more than one State, we can actually have—in addition to the Guard, we can even have Reserve Components that can help us with those kinds of emergency situations.

But I do not think the Air Force has got quite an appreciation for the important domestic role that these units are playing, and the personnel. And it is medical; it is the generators and things like that that the Air Guard provides in addition to obviously the pilots.

Mr. LOEBSACK. Right. And then when they are transitioned from a Title 32 role to a Title 10 role, which we have seen, of course over the course of the last 10 years, that is really critical as well. They need to take into account all the different functions that the Air Guard can perform.

Governor BRANSTAD. Absolutely.

Mr. FORBES. The gentleman's time has expired.

I do not want to cut him off, but we have got a vote we have got to run to.

Governor, it is probably going to take us about an hour, and I understand you have a hard stop at 12:30. So we want to thank you for being here and for all of your help. And if you have to leave, we understand. We will be starting our next panel right after these votes, if you cannot hang around.

Governor BRANSTAD. Well, General Timothy Orr, who is my adjutant general, will be here. He has more of the details and knowledge on this than I have. So I think—and General Lowenberg, and they are really partners on this. So you will get a chance to hear from General Lowenberg in the next panel.

Thank you very much.

Mr. FORBES. We thank you for your service and for being here with us.

And with that, we are going to stand in recess until after the votes.

[Recess.]

Mr. FORBES. Gentlemen once again, thank you for your patience.

And we have lost some of our Members as you can tell, those plane-sitting out there, they jump in them mighty quick after these

votes, but we appreciate your patience in sitting through these votes. They never call us and ask if it is convenient to call the vote when they do, but to further clarify the impacts of the United States Air Force aviation reductions, I am pleased to have two distinguished individuals: Lieutenant General Chris Miller, Deputy Chief of Staff for Strategic Plans and Programs, and Major General Tim Lowenberg the Adjutant General of the State of Washington.

General, we appreciate both your service to your country and your service to this committee by being here. We are looking forward to your comments to make a record that we can use for both this subcommittee and our full committee and with that we would love to hear any opening remarks you have.

Also, letting you know that anything you would like to submit for the record as well, we are certainly willing to take that and have. At the end of any questions that we might have from the committee, if there is anything else you would like to add, or put in or clarify, please let me know. We want to make sure you have time to do this. This is an important record for us to create and build.

So with that General Miller, I guess we will let you start off.

General, you might hit that button there. Sometimes a little tricky.

STATEMENT OF LT GEN CHRISTOPHER D. MILLER, USAF, DEPUTY CHIEF OF STAFF FOR STRATEGIC PLANS AND PROGRAMS, A8, U.S. DEPARTMENT OF THE AIR FORCE

General MILLER. I got it sir, thank you.

Chairman Forbes, Ranking Member Bordallo, distinguished member of the committee, I am very pleased to be here with you today and honored to represent your United States Air Force as we discuss important Air Force aspects of the President's fiscal year 2013 budget.

It is also a pleasure to be alongside Major General Tim Lowenberg. Tim and I first worked together a few years ago when I was at U.S. Northern Command and NORAD's [North American Aerospace Defense Command] director of plans, policy, and strategy.

In that capacity I had the rewarding experience of working with both guardsmen and Reserve partners of all services on challenging and important issues of homeland defense and support to civil authorities. In particular I had the pleasure of personally supporting General Lowenberg as he led Washington State's efforts to prepare for the Vancouver Olympics, which was a complex effort with great results that speak for themselves.

Today, as the Air Force Deputy Chief Staff for Strategic Plans and Programs, I am responsible for overseeing the long-range planning needed to ensure the Air Force of the future can provide the global vigilance, reach and power our Nation expects from our Air Force.

I am also responsible for facilitating the efforts of the men and women from all of the parts of our total force who each year build the Air Force's budget submission, which allows us to perform the missions that we are assigned by the President and perform under the direction of combatant commanders.

In both the near term and the future, Air Force leadership is responsible for building an Air Force that advantages America and ensures success in meeting any challenge we are asked to overcome.

The 2013 President's budget submission for the Air Force reflects a very carefully considered prioritization of resources to achieve that goal. Sustaining the right mix of air, space and cyber capabilities required a number of difficult choices to be made in our most recent budget, such as the proposals to retire, divest or transfer aircraft, along with the accompanying personnel changes.

These proposals were developed, debated and validated not only within the Air Force, but across the entire Department of Defense. If enacted, this budget will yield an Air Force with the smallest total force personnel end strength and total aircraft inventory in our history as a service.

With that force, however, we have produced an effective total force solution that supports the Secretary of Defense's January 2012 strategic guidance and meets the requirements of the Budget Control Act.

Our guiding principle was balance, with regard to both required capability and capacity of the Nation's Air Force. To retain the critical core capabilities for the Air Force and the ability to effectively respond to mission demands, we have balanced risk across a very diverse set of mission areas, ranging from air superiority to global mobility to space superiority and nuclear deterrence.

We also balance the demands on today's Air Force and airmen with the compelling need to sustain the strength of our future total force.

And with regard to the proposed reductions, two important principles drove our decisionmaking. First, we chose quality over quantity. As our force evolves to match the demands of the new strategy, retaining larger numbers of under-resourced Air Force aircraft without the full human and financial resources needed to operate, maintain and deploy those airframes would significantly increase the risk of a hollow force that would inevitably become inadequate to provide the global vigilance, reach and power the American taxpayer expects.

Two decades of continuous combat operations have accelerated the aging of our aircraft and detracted from the Nation's ability to recapitalize them, and that is a priority for us.

Additionally, we have experienced a gradual erosion of our ability to train for the most demanding wartime missions due to the constant pace of ongoing deployed operations. Intense efforts to find efficiencies over several years have been fruitful, but all these factors have combined to leave the Air Force with a limited ability to shift resources and personnel within or between air, space and cyber mission areas to sustain excess aviation force structure without either hollowing today's force or mortgaging tomorrow's.

Second, we are a total force, and we are deeply, irrevocably and successfully integrated. We are committed to staying that way.

We are also committed to building an Air Force that continues to reflect air, space and cyber capabilities that fundamentally depend on the effective employment of appropriately organized, trained and equipped Active, Guard, and Reserve airmen.

Sustaining all aspects of that force, meeting the demands currently and potentially placed on it, while respecting the inherent character of each part of the total force was a key determinant of our fiscal year 2013 force structure proposal and the Active-Reserve Component mix reflected in it.

We believe that in these proposals we struck a difficult but appropriate balance of cost-effective capabilities to serve the national defense, now and in the years to come.

Finally, we fully respect and value the stewardship that the Congress exercises in these matters and thank you for your strong and continuing support to the men and women of our Air Force. We are committed to faithfully executing the law and welcome this opportunity to provide Members of Congress our perspective with regard to the fiscal year 2013 force structure proposals.

Thank you, sir.

[The prepared statement of General Miller can be found in the Appendix on page 65.]

Mr. FORBES. General, thank you.

General Lowenberg.

STATEMENT OF MAJ GEN TIMOTHY J. LOWENBERG, USAF, ADJUTANT GENERAL, STATE OF WASHINGTON MILITARY DEPARTMENT

General LOWENBERG. Thank you, Chairman Forbes, Ranking Member Bordallo, distinguished members of the committee. My name is Major General Tim Lowenberg. I have served as an Air Force officer for more than 44 years, 21 of which have been as a general officer. But I appear before you today in State military status.

My testimony has not been reviewed or approved by anyone in the Air Force or the Department of Defense. And I ask, Mr. Chair, respectfully, that my formal testimony that I have submitted to the committee be admitted for the record.

Mr. FORBES. It will be.

General LOWENBERG. We are here today because in preparing its fiscal year 2013 budget request the Air Force did not comply with any of the statutory requirements, Presidential executive order directives or policy commitments to communicate with governors and consult with the Council of Governors before proposing Air National Guard force structure and manpower reductions in the fiscal year 2013 budget request.

When governors learned of these reductions after the fact and asked Secretary Panetta to reconsider the Air Force proposal on February 27th, the Secretary agreed and directed Air Force leaders to meet with Council of Governors representatives. Major General Tim Orr and I represented the Council of Governors in the four—and there were only four—meetings with Air Force and National Guard Bureau leaders.

This much is undisputed, as acknowledged by Ranking Member Bordallo in the earlier panel: The Air Force fiscal year 2013 plan imposes 59 percent of all aircraft reductions and six times the per capita personnel reductions on the Air National Guard.

We gave Air Force leaders an alternative proposal to get the discussions under way that would have preserved combat capacity and

saved money by restoring a balanced reliance on Air National Guard forces. Although Air Force officials continue to speak of carefully calibrated, symbiotic total force budget development processes, it was clear in each of our four meetings that Air Force and National Guard Bureau leaders agree on very little about the fiscal year 2013 budget.

The National Guard Bureau calculated the council's proposal as increasing total force combat capacity and preserving more aircraft and more men and women in uniform, while generating a net savings to the Air Force of \$700 million.

The Air Staff, reviewing the same proposals with the National Guard Bureau staff over a weekend, calculated that retaining the force structure in the Air National Guard would actually increase costs by \$284 million. That is a \$984 million variance working on the same set of facts but with decidedly different controlling assumptions.

It was also the last time the Air Force staff worked with their National Guard Bureau counterparts prior to any of the other meetings.

Less than 15 minutes into the second meeting, and after only about 2 hours of total discussions, Air Force leaders pronounced everything about the Council of Governors proposals to be totally unacceptable and insisted on implementing the sweep of fighter aircraft from the Air National Guard to the Active Air Force.

Both the House-passed fiscal year 2013 National Defense Authorization Act and the bill reported by the Senate Armed Services Committee reject these Air National Guard force structure reductions. This bipartisan congressional intervention is essential to prevent irreparable damage to the Air National Guard.

In addition, Secretary Panetta's commitment to congressional leaders that there will be no implementation of proposed fiscal year 2013 force structure changes until further action by Congress is a welcome strategic pause.

As is, his directive to the Air Force to suspend aircraft transfers and retirements previously scheduled for implementation in fiscal year 2012, if handled correctly, this commitment can also complement the strategic pause for fiscal year 2013 actions and preserve congressional options as to disputed transfers.

Most welcome of all is the Senate Armed Services Committee's proposed commission on the structure of the Air Force. An independent review of Air Force organizational structure and strategic planning and budget processes is essential in light of Air Force insistence on reducing its most cost-effective Reserve Components and continued development of budget proposals behind closed doors.

Now, not all pending fiscal years 2010, 2011 and 2012 Air Guard force structure changes are points of contention between the Air Force and State leaders. In fact, most are not. With that in mind, a process can and should be established to proceed with a proposed fiscal years 2010, 2011 and 2012 transactions that are supported by all affected parties while Congress studies the Air Force future year budget proposals and awaits the recommendation of a commission on the structure of the Air Force.

We should be able to move forward on any as yet unexecuted fiscal years 2010, 2011 and 2012 changes that are approved by the Department of Defense, the Air Force, the National Guard Bureau and the governors of each affected State or territory.

Concurrence with such transactions can be documented in whatever manner is acceptable to Congress and the affected parties.

Thank you for the opportunity to testify before you today. I am looking forward to responding to any questions you may have.

[The prepared statement of General Lowenberg can be found in the Appendix on page 85.]

Mr. FORBES. Thank you, General.

And with the subcommittee's consent, what I would like to do is reverse the order of how we are asking the questions on this panel since some members did not get to ask their questions during the last panel. We will make sure everybody gets to do that, if there is no objection to that. And we will start with the gentleman from Mississippi, with his questions, then we will go to the gentlelady from New York next, if that is agreeable.

Mr. PALAZZO. Thank you, Mr. Chairman.

Mr. FORBES. The gentleman is recognized for 5 minutes.

Mr. PALAZZO. Definitely no objections from me to go first.

Thank again, thank you, Mr. Chairman. And again, thank our witnesses for being here.

Thank you for your years of honorable service to our country and what you do for our men and women in uniform.

Now, I have received some personal briefings on the issue that we are discussing today, and the one question that continues to come up over and over again for me personally is where is the benefit of the reductions, where would be they be.

Perhaps I am under the misconception that the aircraft movements and retirements were made with the intention of saving money, especially when the Secretary is asking for another round of BRAC closings. But from every angle it seems that the movement of aircraft in many cases will actually cost more in the long run.

Let me give you an example. Under the force structure changes, about 10 aircraft were scheduled to leave Keesler Air Force Base in Biloxi to move to Dobbins Reserve Base in Atlanta. Not only does Dobbins not have the appropriate facilities to house and provide for an Active Duty Component, but it is my understanding that the hangars at the Dobbins are not capable of housing the C-130J stretch model aircraft.

Unless I am totally mistaken, this means that there is billions of dollars of MILCON [military construction] that will be required just to move these aircraft that are suited perfectly for Keesler and the facilities there.

So my question is, can you explain why at a time when we are all talking about the cost of doing business and driving down costs in this tight fiscal environment that we are in, the Air Force is making decisions that will actually increase costs?

General Miller.

General MILLER. Congressman, thank you for that question.

In response to your—the first part of your question, why we are making the moves we are making, the aggregate requirement for

airlift under the new strategic guidance, because of the types of conflicts that we have been asked to plan for under that guidance, decreased from the high 300s of tactical airlift aircraft down to 318. So we had an excess of 65 C-130 platforms that we did not need to accomplish the airlift tasks that we as an Air Force expect to have to accomplish and have been directed to plan for.

That was part of achieving the savings required under the Budget Control Act. So for our total force structure reduction we achieved about \$8.7 billion worth of savings and just in fiscal year 2013 alone about \$1.4 billion of that.

But in terms of what is required to sustain our Air Force and to keep the components healthy, there are some costs associated with the movement of aircraft that was required to mitigate the impact of a reduction that large.

And so for example in the case of the move to Dobbins, while it is true that the facilities there are not exactly suited at present for the C-130J, construction of new hangars is unlikely to be necessary and modification of the existing hangars is still an option that I believe we are investigating. I would be happy to provide you further information specifically on that issue.

[The information referred to can be found in the Appendix on page 167.]

Mr. PALAZZO. Well, absolutely. I have asked for, several months ago, for—you know answers to questions just like that. And again from every angle that we are looking at, it just does not make sound business sense, and I know there is probably a possible military strategy to it, but it is—as you know the distance is not that far away.

It seems to me—I know they are supposed to be losing some C-130Hs and is this the, hey, you know, do not scream too loud Dobbins, we are going to backfill with some C-130Js, and—but at the time I mean you know we have spent millions of dollars, not just on the hangars, but on training the personnel.

And these people enjoy flying out of Keesler Air Force Base. They broke records in Afghanistan. It took them 3 to 5 years to train up. They are there. We are you know, so to spin up the same group and Dobbins is just, you know, is going to take probably 3 to 5 years.

We have a very expensive simulator. We have got great training ground. So I am looking forward to your questions and looking forward you know to your answers to my questions, because I think we will probably be having some more, you know, discussion on them.

And again, Mr. Chairman, I appreciate you allowing me to be here today. I was going to ask another question. With the cuts that are hitting the Air National Guard, can you all kind of give me the breakdown on the cuts between Active Duty Air Force, Reserve, and National Guard?

And also was there any disproportional cuts made to one of the components over the others?

And you can start off, yes.

General MILLER. Sir, let me put that in perspective. As General Lowenberg mentioned, the cuts in this particular budget did fall more on the Air National Guard than they did on the Active Duty.

If you look at a longer period of time than a single year, however, over the last 30 years the strength of the Air National Guard has been somewhere upwards of 100,000 as high as 116,000. The strength of the Active Duty has decreased by about 43 percent down to its current total of 332,000 and decreasing further by about 3,900 in the fiscal year 2013 budget.

All of those force structure—all of those end strength reductions are driven by retirement of the corresponding force structure. So in this particular era where our Active Duty force is both as small as it has ever been and tasked at a very high level, one of our big concerns was to sustain our ability to deploy airmen of all components consistent with the Secretary of Defense's rotation policy.

An Active Duty airman, the standard is to deploy one period out of every—one period deployed for two non-deployed; for Guard and Reserve, one period deployed for five non-deployed. And so the Active Duty force is expected to perform at a higher rate of deployment.

But both components have targets for what keeps them healthy, and so based on our assessment of the demand for a variety of weapons systems, the reductions that we made were our best projection of how to make each component capable of meeting the demands that we should place on it within those parameters.

Mr. FORBES. The gentleman's time is expired, but if either of you would like to supplement the record with a written response to that, we would love to receive it.

Mr. PALAZZO. Thank you.

Mr. FORBES. Gentelady from New York is recognized for 5 minutes.

Ms. HOCHUL. Thank you, Mr. Chairman. I appreciate you extending me this courtesy. I have a particular interest in this situation representing the Niagara Falls Air Reserve Station.

I would be very curious to know when you say that you are favoring quantity over quality, or quality over quantity, what sort of decisionmaking went into deciding which bases and missions are the ones that have the quality?

What metrics were used? Because that is an important decision-making process, that our area feels that they were not part of and we wanted to put our best foot forward, but feel we did not have that opportunity when the news came rather surprisingly that we would be losing that mission.

So that is my first question.

General MILLER. Well, ma'am, I appreciate your question, and I appreciate your pride in the airmen of Niagara.

When we talk about retaining quality over quantity, that does not refer to the quality of individual units, and I think I should make it very clear that no unit is chosen because it either is performing well or performing poorly, because units are collections of people who do a, generally speaking, a great job. And every unit in the Air Force has tremendous capabilities.

But what we did in terms of sustaining our quality was to sustain the appropriate amount of investment to be able to replace airplanes, to upgrade aircraft, to provide space and cyber capabilities, the things that are required for the Air Force of the future. And that really was the heart of the quality versus quantity.

With one important addition, and that is we have to be able to sustain and equip, in other words to provide parts, equipment, flying hours, all of the things that make airmen trained and ready for the force structure we keep. And so that was our primary consideration in making the overall aggregate determination.

For specific selection of units, one of the things that went into that, the Guard and the Reserve leadership both made decisions according to a set of principles that were important to each component. And one of those principles for the Reserves was when there is another flying mission in proximity to a Reserve flying mission that in the aggregate was excess, that was a consideration for them in terms of those places that could be reduced with the minimum damage to the capability of the Reserves as a whole.

Ms. HOCHUL. Then let me ask you about the decisionmaking process that was involved in determining which bases received new missions, the ones that were told you are losing this, but do not worry you now have ISR [intelligence, surveillance and reconnaissance], you have cyber-security, you have something else to replace it.

And certainly I am saying that with the emotive question because if you are going to remove C-130s or have any consideration of that from the Niagara Falls Air Reserve Station, I would want to know why we would not be in that category to receive a new mission, our proximity to Canada, our tried and true record of accomplishment, 1,500 missions to Afghanistan just to name a few. So that is what I would be saying.

If we want to be part of that Air Force of the future, we need that opportunity.

General MILLER. Yes, ma'am, I understand that. In fact I worked with some Niagara folks when I was in Afghanistan, and they did in fact do a great job.

We did not have sufficient mission as an Air Force to backfill every loss of force structure across the entire enterprise. And so in some cases where there was some remaining mission, that played into the determinations made by the Guard and Reserve leadership.

In other cases, and I believe Niagara's in this case, there is an action involving the Navy to bring a capability into that installation that will provide some backfill of a sort.

Ms. HOCHUL. Please keep us in mind. We will be—the dialogue will continue, but thank you for your service and your willingness to come forward, but we need to get it right next time.

I think there are a lot of people that felt that this could have been a more transparent process and involving the community and certainly the people who have a very vested interest in what goes on in those local bases.

So, I yield back the balance of my time, Mr. Chairman, thank you.

Mr. FORBES. Thank the gentlelady.

And the gentleman from New York, Mr. Gibson, is recognized for 5 minutes.

Mr. GIBSON. Well, thanks very much, Mr. Chairman, and greatly appreciate the service and leadership of our general officers here today. Thank you for being with us.

I want to begin by associating myself with the remarks of the gentlelady from upstate New York. This is a—just really an important issue to our State for yes the obvious, but also, you know, I just—I cannot—I do not think I can properly describe for you what it was like to go through that storm last year, Hurricanes Irene and Lee and just the invaluable service rendered by our National Guard, Army and Air, in the initial phase of the crisis and then in the beginning towards the recovery.

Let me just say to preface a couple points I am going to make is, one, I certainly believe that we should be going through a comprehensive review process with an eye towards national security establishment reform. I have said a few things on that myself. I actually think we can be safer for less money.

But I have had—I have struggled with this initiative for a couple reasons. One, in my last deployment I led the global—the Army's component to the global response force to Haiti. And you know that was very painful to get paratroopers on the ground in Port-au-Prince based on platform, strategic lift. And we got that done over time, but it was not where I think it should have been.

Now there were a lot of factors that were bearing on the problem including the surge in Afghanistan. Certainly understanding all that but I say that, that when I inquired about the numbers for our strategic lift the response I got was that they were using the mobility study from 2009.

And then I juxtaposed that to my experiences. And then of course, as was alluded to the testimony earlier, just moments ago, that the President's directional change, strategic directional change and what I thought I heard you say just moments ago was that it appears that you are implying that you have updated the air mobility study.

Is that true?

I guess that is my first question is, the assumptions that were made, what were they based on?

General MILLER. Well, sir, thank you for that question. The mobility study that you referred to, the MCRS-16 [Mobility Capabilities and Requirements Study 2016], is still the only completed and fully vetted mobility study. But in the process of arriving at the fiscal year 2013 budget and in the deriving the strategic guidance that we work to, that study was reviewed on a number of fronts, not only within the Air Force but by the Department of Defense assessment entity.

And so the requirements that we were moving to were somewhat relaxed in terms of the overall volume of 10 miles per day that MCRS-16 required compared to what we are required to be able to do today.

And by the strategic airlift standards, that number has changed to 275, in terms of the fleet that we expect to go forward with, which is comprised of the C-5B, the C-5M and the C-17.

Mr. GIBSON. And just to follow up, and I think I am going to have to ask the second question and let you gentlemen respond because I am not going to have time for it.

But in this figure, how much is it sensitive to the TAGs and to the governors?

Because, certainly, knowing this is based on war plans, and as I pointed out moments ago, you know, we went through this storm, and I am just wondering who is the arbiter that is putting all these requirements together?

And the second question has to do with, you know, when we—when I asked about the data that roughly a third of the mission are done for percent, 7 percent of the cost, the response I got from leadership was but the Guard is not able to keep up with the op tempo [operational tempo].

And at the time when I heard that, that was a new argument to me, so I went back to my TAG and I said, this is what I was told. And they went back and ran their analysis and they said it was not true. They said they still have capacity left to give.

So I am wondering, has that been re-engaged?

And I am sorry, it looks like I have—I am going to—perhaps you can respond and then you can get it for the record.

Thank you, Mr. Chairman.

General LOWENBERG. With the chairman's permission, Congressman Gibson, I would like to respond because I have not had an opportunity to respond to the earlier questions.

I have been in Haiti, and I know the difference between planning assumptions and ground truth. You and I have seen ground truth in the theater. That is what adjutants general see throughout the United States and abroad. The challenge and the obligation for American civic leaders and Members of Congress is to maintain maximum combat capacity and maximum surge capacity for the available funds.

And we all know that there is intense pressure on the available funds.

When we raised these same issues in the meetings with the Air Force leaders in those four meetings—and we only really discussed this in the first meeting—the response of some of the more senior leaders of the Air Force was that, as important as cost efficiencies are, there are other things more important.

When we got into discussion of the assumptions that drove the calculations, nearly a \$1 billion range between the National Guard Bureau's assessment of a \$700 million savings and the Air Force assumption of a \$284 million cost overrun, if you will, we saw things such as—one of the units we were talking about in one of the meetings had deployed many times for half of the unit. Half of the wing had deployed for the 6-month AEF [Air Expeditionary Force] rotation, but that counted as a full rotation for the entire wing.

So not everything that counts is counted and not everything that is counted counts, quite frankly. And so I think we have seen a wide divergence of budget figures and cost calculations that are difficult to deal with because they are done behind closed doors with what the chairman referred to in the earlier panel as a gag order.

It should be done in the open day.

Mr. FORBES. General, thank you.

And, General Miller, I do not want to cut you off. Do you want to respond to that?

I want to make sure we get everything on the record.

General MILLER. Yes, sir, if I could, let me just address, with regard to the strategic airlift fleet and domestic airlift requirements, those two things really do not overlap. The domestic airlift requirement is primarily captured with the tactical airlift. That is not to say that we cannot use and do not use strategic airlifters to do things that need to be done by the governors or in case of natural disaster, but in terms of the requirement, it is not captured there so much.

On the issue of cost, there is very little about cost that is actually behind closed doors.

One of the things that I think is important to put into perspective is that, when we talk about 6 percent of the cost and 35 percent of the capability, there are some assumptions there that need to be stated.

So the Air Force's budget is made up of what we call blue obligatory authority and non-blue. The non-blue is nondiscretionary. The Air Force has no control over it.

So if you take the 6 percent of O&M [operations and maintenance] funding that the Guard expends as a percentage of what the Air Force actually controls, it is about 7.5 percent. If you take the overseas contingency operations funding out of the denominator, it is about 8 percent.

If you take the research, development, testing, and evaluation and the procurement that the Guard does not incur an expense for out of the denominator, that rises to about 12 percent. And in terms of the actual capability, while the Guard provides huge capability in many categories of the Air Force's output, certainly tactical airlift, strategic airlift, fighters, they do not provide any output in nuclear deterrence and nothing significant in space.

And so there is a nuance in the 35 percent capability calculation that I think is also important.

And with regard to the specific costing of the options that the Council of Governors put on the table, some of the things that account for the difference were discussed in those forums, and they have to do with the modernization of airplanes that we keep was not accounted for by the National Guard calculations. That was discussed. And when you factor in the required cost of modernization and long-term maintenance of those aircraft, the cost goes up.

Similarly, the cost of deploying airplanes to replace combatant commander-required assets that are stationed in Europe that would have been removed by the Council of Governors' proposal was not factored in.

And so much of that delta in the cost estimate is accounted for and was discussed in those meetings.

Mr. FORBES. The gentleman from Iowa, Mr. Boswell, is recognized for 5 minutes.

Mr. BOSWELL. Well, thank you, Mr. Chairman.

And I want to thank you and the ranking member, for allowing us to sit on at your committee.

I think I would like to make more of a general statement. First off, I—all of you sitting across from me, I admire and appreciate your service. Thank you very much. This row, the next row and anybody else in the room, thank you. I appreciate it a lot.

Sometimes we are the victim of where we have been, and I would just like to address something that I think that I have got a little bit of a grip on, and we will see, as time goes on, but it looks to me like there is going to be continuing dialogue about how this re-org or reduction force, however you want to call it—a lot of dissatisfaction here.

You know that. I am not telling you a thing you do not know. And I know, when we started with the all-volunteer idea, I was still in uniform. I thought this probably—I am not too sure this is going to work. But I have become convinced it does work. It is cost-effective. And we have got some extremely highly trained people.

I am not going to go into detail on that because I see my adjutant general sitting right behind you, who I know has got all those details, and you do, too, about the proficiencies of our pilots, our maintenance people, and so on.

I went through a little bit of a fuss here 2 or 3 years ago about what was going to change doing maintenance. I appreciate that did not happen, could have a big morale factor, and we have got a tremendous maintenance operation in the 132nd and as other units do, too.

It is, kind of, like owning your car, you know. It is your airplane, if you take care of it every day. It means a lot.

So what are we going to do?

Make no mistake about it. You know, I know, that the Reserve Components, the Guard and the Reserve, is part of the standing force. Just look what we have been doing. It is clear.

And yet governors, as we heard from our governor today, and I much appreciate his testimony, and all governors still have this responsibility to deal with emergencies in their States, and they turn to their Guard and Reserve, and they must do that.

So what are we going to do? I think there is more to this when we think about cost-effective and how do we manage this?

And again, I am not going to regurgitate all of the details about how great I think the 132nd is, but it is a great unit. But there are other great units. I will let General Orr tell you about that.

But when I was teaching at the Command and General Staff College and started to try to get a bigger, broader concept of tactics and how we are going to defend ourselves because it keeps changing, technology. Now, the big eye in the sky, the satellites, all this stuff, and I think of the footprint of having a—you know, to me, when I started, like at Fort Sill, Fort Benning, or any of the Air Force bases, you know, there is no community that wants to give up their unit, whether it is Standing or Reserve or Guard. Nobody wants to do that.

When you look at this big picture, the footprint, you know, where are we getting the biggest bang for our buck and the most safety, as we think about how we situate ourselves?

And I am saying this mostly to you, Mr. Chairman, too. You know, we have got this humongous base with all this equipment and personnel, which is, kind of, in our tradition. Nobody wants to give it up. Remember? Or do we spread them out and have that footprint pressed out over a number of areas and then realize that we have proven the efficiencies and the cost-effectiveness of doing that? And we spread it out a lot.

I do not see how you can avoid running into this here with us, this committee and the rest of us around here, without really addressing that carefully.

So I would just suggest we go back and—I have no doubt you have been thinking about it some, because I have brought this up before. I brought it up with the Secretary.

But this needs to be really carefully thought out. And you better pull those governors in and let them be part of it.

This—you know, “we are having our meetings over here and then we will tell you when we get ready,” is not going to work. You already know that.

So let us be inclusive and if you have to move into classified situations, you know how to do that. The governors know how to do that. And let us just put the cards out there.

And what are we going to have when we get done with this discussion? And it seems to me, and I will be interested to watch you go through, and I do not want this to be a staff study where you know what the conclusion is before you start.

[Audio Gap.]

Mr. LATHAM. —that was singled out for elimination. When I was—when I asked about what the basis was, well, it was a judgment call—no criteria, no basis for it. They are just saying, “Well, somebody visited with somebody and that is what they came up with.”

I think we all expect every taxpayer dollar to be used wisely, and I really question whether the Air Force oftentimes will take into consideration the value, say, at the Des Moines airport of all the other activities and assets that are put forth, you know, locally by the air wing there and if those things are taken into consideration.

You mentioned earlier, I think, about that the governors did not take into consideration some other things that you were talking about. Certainly, I think it goes both ways that you should be looking also at the resources made available to the public and to the State offered by the Guard units.

So just very briefly, if you could respond as far as how in the world could you notify people in a newspaper article, rather than to have conversations going on; to me, that is just appalling.

General MILLER. Well, sir, thank you for the question. Let me address a couple of things.

One is that if you look at the way we have done for years the resource planning process, not just in the Air Force, but in the Army as well, which has three components. The Air National Guard Bureau and the National Guard Bureau are both involved—Air National Guard with the Air Force resource planning process.

They are an integral part of every meeting we have as we go through the formulation of each budget. For the Department, the National Guard Bureau is represented in the departmental—the DOD discussions as we finalize, or really as we develop the budget proposals.

And so in this particular year, there were some additional constraints put on the sharing of information which were not absolute, by the way.

Mr. LATHAM. Why?

General MILLER. Because it was a very difficult time of both reformulating a strategy and looking at the ways that we could achieve the targets set forth by the Budget Control Act.

Having said that, sir, it did not—it was not an absolute prohibition. And there was involvement leading up to the President's release of the budget to the Congress when I think decisions made outside the Air Force on who to talk to, when. I cannot control that, but I think there was certainly more control over information than in most years, but not absolute.

And if I could just address your other point, sir, on the selection of particular bases, we looked at our aggregate fighter requirement under the new strategy, and that fighter requirement, based on the fact that we would no longer plan to fight large-scale stability operations, we were able to take the majority of our fighter reductions from the A-10 force, which is a more narrow capability for operating in that kind of an environment.

So the number of F-16s that we could or wanted to remove from the force was fairly limited. This follows on a fiscal year 2010 reduction of about 250 Active Duty fighters. So our overall fighter capacity has decreased quite a bit over the last few years.

The selection of where the F-16 reduction would be taken was primarily driven by the overall number, but then it was localized based on the air sovereignty alert mission and the normal production of that mission by various units and the estimate of cost savings from each of the units across the force.

Mr. FORBES. The gentleman's time is expired.

The ranking member has been incredibly patient, so we are going to come to her next.

But I just want to point, General Miller, this is not to you, but this is to that building across and down the street. You know, what Congressman Latham raised is incredibly important. We do not do transparency because it is easy. We do it because it is right for the American people.

And this is a pattern. You know, just a few years ago, Secretary Gates issued gag orders—they were gag orders on members civilian and uniformed in the Pentagon that they could not even talk to Members of Congress about the effects that cuts were going to have. When they shut down the Joint Forces Command, they issued gag orders that no one could tell us the analysis that was taking place on that.

They refused to give us a shipbuilding plan that the statute required that they give us because they did not want us to know that information; refused to give us an aviation plan because they did not want us to have that information. And now recently, they have issued an arbitrary rule that says reports can only be 15 pages long. So we get a China report that is 15 pages; two pages on cyber—I mean, two paragraphs on cyber-attacks and what we are worried about; three pages, I think, on space concerns.

And we respect you and your service and your demeanor, so this is not to you. But if you do not mind, take that message back over to them that you are seeing a lot of Members that are tired of this lack of transparency.

And with that, I want to yield to my friend and the ranking member for any questions that she might have.

Ms. Bordallo.

Ms. BORDALLO. Thank you very much, Mr. Chairman. That was well said.

General Miller, I have a question for you. As you know, the fiscal year 2013 budget request included an Air Force request to terminate the Global Hawk Block 30 unmanned aircraft system program. Nine Global Hawk Block 30 aircraft are currently deployed in Central Command, European Command and the Pacific Command, including 4 on Guam.

In congressional action to date on fiscal year 2013 authorization and appropriation bills, the House of Representatives as a whole has supported the combatant commanders' requirement for Global Hawk Block 30 and require the Air Force to continue to support the combatant commanders. Yet, we have received unofficial information that the commander of the Air Force Air Combat Command, acting contrary to both House defense bills, recently informed General Schwartz that he intends to redeploy to the continental United States the 9 Global Hawk Block 30 aircraft currently supporting combat commanders and the warfighters.

So general, would you please clarify the Air Force's plans for Global Hawk block 30 to comply with the current stated intent of the House of Representatives?

General MILLER. Yes, ma'am. In terms of the requirements that combatant commanders have, those requirements are stated in terms of a capability, not a particular platform. And that is not just in the intelligence, surveillance and reconnaissance mission area, but that is in general. Requirements are generally stated in terms of capabilities for output.

It is certainly true that under the fiscal year 2013 proposals that we submitted, we did not think that we could or that we had to sustain the Global Hawk, and I recognize your point about the intent of the House.

However, we are discussing what options we must take to essentially stay within available resources as we get closer to fiscal year 2013. I am very well aware that we can take no irreversible actions that would prejudice further action by the Congress as a whole.

And so what I can tell you is that the discussion is ongoing about how we deal with the Global Hawk, like it is with many other platforms in the fiscal year 2013 proposals, but at this particular time a decision has not been made.

Ms. BORDALLO. Thank you, General. But I certainly hope we will rethink this.

General Lowenberg, I understand that you will be retiring after 44 long years in service. And just let me say—and I am sure the chairman also joins me in thanking you for your longtime dedication and leadership among our Nation's TAGs. I congratulate you for so many long years; 44 years is a long, long time. And you will be missed.

I have a question for you, General. Can you comment on the progress that is being made in developing the requirements for Title 32 missions? The Congress has for more than 3 years now requested an update on the Title 32 mission requirements and we have seen absolutely nothing.

One of the clear process problems with the fiscal year 2013 Air Force budget was lack of incorporation of Title 32 requirements. What more can we do to get this requirement identification done so that we can better assess the budget requests?

General LOWENBERG. Ranking Member Bordallo, if I had the answer to that I would be happy to serve another 44 years to work on that very project. It is something that we have been raising, in particular with the current and previous commander of U.S. Northern Command, because I believe that is the combatant command that has the responsibility for articulating the requirements for Title 32 utilization of this magnificent Army and Air Force that the Congress has resourced.

I just came to this hearing from a couple of days with General Jacoby at Northern Command, and quite frankly I am very encouraged by his focus on requirements and his willingness to act as a combatant commander to articulate those requirements. I am optimistic that Congress will see some positive action in the months and years ahead.

Ms. BORDALLO. Very good. Very good, general. I will remember those words.

General Miller, just a couple of quick questions. Can you outline for members of the committee what impact restoring the Air National Guard force structure in fiscal year 2013 will have on future years' budgets? What costs or issues can we expect to deal with in the future?

General MILLER. Ranking Member, thank you for the question.

For fiscal year 2013, the costs of restoring all of the force structure as we are currently believing that it is Congress' intent to do is about \$1.4 billion. If we were to be required to sustain the force structure just for the Air National Guard throughout the FYDP [Future Years Defense Program], that is about \$4.4 billion, roughly, and that would account for putting the aircraft back into all of the normal servicing and modernization and upkeep that we do as a service.

The consequences of that, if those resources were not provided to us, is obviously that we either have to reduce further the Active Duty force structure or reduce modernization programs that would result in recapitalization of both Guard and Active force structure and Reserve force structure and/or some of the advanced capabilities that we need to deal with evolving threats.

So those are things along the lines of upgraded radars and electronic warfare capability, various space capabilities that are necessary. Essentially, it would be a difficult challenge for us without the resources.

Ms. BORDALLO. Thank you. Thank you, General. And one final question. In your professional opinion, what utility is of an Air Force commission as proposed by the Senate Armed Services Committee?

General MILLER. Ma'am, we view the trends that we have started with the Council of Governors, as General Lowenberg just mentioned, with U.S. Northern Command, putting additional emphasis on identifying those Title 32 requirements. The Department of Defense and the Department of the Air Force have a very well understood and very well practiced way of taking into account combatant

commander requirements when they are expressed as combatant commander requirements.

So that channel of presenting requirements will inform our decisionmaking perhaps better than it has been in the past. The ongoing dialogue with the Council of Governors, which at this point I think it is fair to say that there is work on a statement of principles for how that work will best proceed and how the governors and the Department of Defense can best inform each other, that work is positive.

We are concerned that a commission, particularly with the timing that it is proposed to have, would have a very difficult job ahead of it to go through the levels of detail required in the time allotted and that the decisionmaking that would come out of such a commission would be very difficult to reflect in the 2014 budget and could require us to hold airmen and units and families and States and a whole lot of other folks in a very uncomfortable state of suspended animation for an extended period of time.

And so while we will work with, absolutely, a commission if the Congress should specify that that is going to happen, it is our belief that we as a total force team, Department of Defense, working with the governors through the council, can do that work.

Ms. BORDALLO. Thank you, General, for that information.

And I yield back, Mr. Chairman.

Mr. FORBES. Gentleman from Iowa is recognized for 5 minutes.

Mr. LOEBACK. Thank you, Mr. Chairman.

Thanks, both of you, for your service. I appreciate it more than you know. And our own adjutant general back there, General Orr, I really, really appreciate his great service as well.

I have a couple kids who are in the Marines, so that brings it home even more. They have been deployed. And so thank you so much.

I guess I have a lot of frustration, which I expressed earlier when the governor was here, when our governor was here, and expressed by Congressman Latham and by our chairman and ranking member, number of folks, a lot of frustration over the transparency of the process, a lot of frustration over the lack of communication, especially with the governors.

I have made very clear over the course of the past several months that I am deeply concerned and really pretty baffled by the proposal to make irreversible cuts to the Air National Guard, which would bear about 59 percent of the total aircraft cuts in the budget request.

And under that request, they would see almost—they would almost see most of their personnel reductions also occur in 2013, which provides really little leeway to reverse course from a strategy that is meant, recall, to be reversible.

I am, frankly, distressed, as I said, by the lack of clear data and analysis showing that this really is the best decision for our security, for our ability to respond to emergencies at home, something we in Iowa know very well over the course of the last 5 years, 4 to 5 years.

And just as important in all this for the taxpayers. The taxpayers demand to know why decisions are being made. This is a democracy.

Sometimes I kind of sound like a Pollyanna when I am talking about these things. I taught at a college before I got here. Now I am in the real world of politics.

But I am a Congressman, and my job is oversight in no small measure, and to make sure that when folks make decisions that are going to affect people, not just in Iowa, but all around the country, that we actually have the data that we need and that the analysis has been carried out.

It is up to us in the legislative branch to hold folks in the administration, the executive branch accountable in that sense. Again, I appreciate what you are doing. As Chairman Forbes said, this is not meant to be a slighting to you folks or any of that. But do take that message back, as he said.

This is an important function that we serve in Congress. Yes, we do and say many of the things we do for our constituents, but it is about national security and it is about taxpayers as well.

So I guess I want to direct my first question to General Lowenberg and ask you if you can share some thoughts, in addition to what you have already shared with us as an adjutant general, your perspective on the National Guard's ability to quickly mobilize.

And I will preface that by saying that in February I asked the Air Force leadership if there had ever been a time over the last decade that the Air National Guard was not able to respond to a mission requirement or a request for deployment, and I was told quite unequivocally that there had not been a situation like that. But I am also concerned not just about deploying overseas, but I am concerned about domestic deployments as well.

General.

General LOWENBERG. Congressman, when Iraq invaded Kuwait I was the Air National Guard commander in Washington State. We had air crews on the ramp, on the aircraft, waiting to flow forward even before the vocal requests starting coming through the channel.

I can tell you that the Air National Guard has been engaged in Desert Shield, Desert Storm, enforcement of the no-fly zones for nearly a quarter of a century. The total Air Force has had the full operational contribution of the Air National Guard, without mobilization, with rare exception. Very small, low density, high demand units like security police, have been mobilized in the last 1 or 2 years.

But for nearly a quarter of a century the Air National Guard has responded by volunteerism engaging in every mission asked of it by the total force. And I know that the National Guard Bureau has proffered on numerous occasions to take an even larger share. So accessibility is not an issue in my life experience.

Mr. LOEBSACK. And, General Miller, following up on that, you know, we hear sort of generally about, you know, the mix of Active Duty versus Reserve or Guard moving forward, given our strategy, given the resources that we have and all the rest.

But I do not know that we have ever been really offered a clear answer as to that mix and how that mix is arrived at. You mentioned earlier that Active Duty had taken big hits over the previous 10 to 15 years.

Now, I am not—I do not think that you are making that as—that that is your argument as to why then we ought to be doing. I understand that. But that impression could be left with some people. So, you know, feel free to clear that up. But, I mean, saying that is all well and good, but then what goes into this, what are the factors that are used when you are trying to determine, when the Air Force is trying to determine the proper mix between the Reserve Components and the Active Duty Components.

And if there is a longer answer to be had in writing, I would love to see it as well.

General MILLER. Congressman, thank you. And I think we will submit a more complete discussion of that for the record. But I appreciate your question, and I think it hits some very, very important considerations.

First of all, I would agree with General Lowenberg. The Guard has performed superbly over many, many years, and that is not the issue. I personally, the year I spent in Afghanistan out of my 20 or 21 colonel-group commanders, at that time much of our force structure and 18 out of those 20 or 21 group commanders were Guard and Reserve colonels, and they did brilliant work and so did the men and women that they brought with them.

Mr. LOEBSACK. I might just say, I have flown on a lot of those C-130s—Kentucky group, all kinds of—

General MILLER. Yes, sir. Absolutely. So that is not the issue.

The issue is this. Because it takes volunteerism, in many cases, to assemble a Guard capability, or because of the legitimate demands of the employers of guardsmen and reservists, the rotations may be shorter than 179 days. They may be 60.

That is not necessarily a problem, but as the Active Duty force gets smaller, our margin for error and the number of times over the foreseeable future that we may have to call on the Guard or Reserve to fill requirements that we have will grow as our Active force gets smaller.

And so our concern—you asked what the factors were. One of them is force sustainability. So for example, as we get a smaller Active force, the symbiotic relationship, much of the Guard's experience comes from Active Duty members who serve on Active status and then elect to become members of the Guard.

As the Active force gets smaller, that experienced input will get smaller. We are not at the point where we can give a quantitative answer to where that becomes a real problem, but we know that the margins are getting smaller.

And so in the near term, our choices for the Active Duty mix were sustainability. They were driven by the deployment rates, particularly in some of the most heavily tasked platforms. And we elected to ensure that we could sustain the foreseeable, the projected Active tempo without taking Active Duty folks below the one-to-two policy and without having to depend on volunteerism that involves multiple squadrons, which sometimes do have to be supplemented, particularly for Guard and Reserve fighter operations.

We have had to supplement those operations with Active Duty maintainers. So this is a very delicate balance and it is one of the reasons that we think it is extremely important for us to continue

working as we have with the Air National Guard, with the National Guard Bureau, to understand those dynamics, to better present that case as we go forward in fiscally challenged times that are ahead of us.

Mr. LOEBSACK. I appreciate that.

Thank you, Mr. Chairman.

I do look forward to something more extensive in writing. If you could provide that, that would be great, especially given that the Guard and Reserve have never been—they have always been able to answer the call. And if there is a fear that that will not happen in the future, I would like to know why that is the case, and specifically how you come to that conclusion.

Thank you. Appreciate it.

[The information referred to can be found in the Appendix beginning on page 166.]

Mr. FORBES. Gentlemen, both of you have heard virtually every member of this subcommittee praise the two of you for your service and your demeanor, how you are handling this. We understand this is not a problem that you brought upon yourselves.

We also understand that this did not happen because we created the best strategy and then we had the debate of how to implement that strategy, and then we came up and said, “This is the budget we need to do that.”

It came about because we have had a sea-change where we have pulled numbers out of the air and said, “Here is the budget; now create a strategy to meet that budget.” And now we have put you two in warring with each other about how you divide those dollars up. And we should never have put you in that position, and we are fighting on this subcommittee to get you out of that position. We just want you to know.

I am going to give three questions that I do not expect you to answer now. I would just like for you to give me an answer on the record. The first one is we know that the Senate is proposing language in its version of the fiscal year 2013 NDAA that would effectively stop the transfer, divestment or retirement of all Air National Guard and Air Force Reserve aircraft not only in fiscal year 2013, but also in previous fiscal years 2010, 2011, and 2012. If both of you could just get back to us in writing what you think the impact of that would be. I think it is important that we know that.

[The information referred to can be found in the Appendix on page 165.]

Mr. FORBES. The second thing, General Miller, with the assumption that Congress may freeze all force structure retirements and divestments in fiscal year 2013 and include the associated funding to support, what is the likelihood that the Air Force would plan in the fiscal year 2014 budget and beyond to keep the force structure at fiscal year 2012 levels? If you could just answer that for us in writing.

[The information referred to can be found in the Appendix on page 166.]

Mr. FORBES. And then General Lowenberg, if you could tell us, the subcommittee understands that as a counter-proposal to the alternative proposal that the Council of Governors submitted to the

Air Force, the Secretary of Defense chose to offer retiring 24 fewer C-130 aircraft to meet airlift needs of State governors.

Now, if you could tell us, in your view, why was the Secretary's offer of 24 C-130s rejected? And how could the counter-proposal have been improved to an acceptable level?

[The information referred to can be found in the Appendix on page 166.]

Mr. FORBES. And then one final thing; General Miller, is the Air Force now making any plans based upon what they think the language will be from the Senate and the House in the NDAA bill?

General MILLER. Mr. Chairman—

Mr. FORBES. Do you want me to be more clear on that?

General MILLER. Yes, sir.

Mr. FORBES. Okay. There—you know what the language is from this authorization that came out of the House. We know there is a discussion in the Senate for fiscal year 2013 regarding freezing—not just 2013, but 2010, 2011 and 2012. Is the Air Force taking any action now on any plans related to that? Are they in a wait-and-see mode to see what actually comes out in the language?

General MILLER. Sir, we are planning assuming that previously approved force structure actions are consummated and that the 2013 proposals will be as well. Our planning assumptions are that that would happen for the long-term planning. And obviously—

Mr. FORBES. The planning is that the law is going to stay in place as it is?

General MILLER. Yes, sir.

[The information referred to can be found in the Appendix on page 166.]

Mr. FORBES. I have 60 seconds left. I am going to yield that to Mr. Latham for one additional question, if he could.

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

And I just had a question about the reversibility of the—of what is happening, like the 132nd Air Wing. You have got pilots that have 2,500 hours of experience, are combat tested. They have been in different theaters time after time. You have got maintenance people that have, you know, 10, 11 years on average of experience in the regular Air Force. You are probably talking 1 to 2 years of experience as far as maintenance.

If, in fact, you lose that capability, is that reversible?

General MILLER. Congressman, I would say in general terms, those personnel types of action are reversible to some extent. No unit ever is reconstituted instantly with all the same capability. But we found, for example, after 9/11, that recalling aviators to Active Duty with some spin-up training, they were absolutely capable of performing the same kinds of missions they were when they were serving actively.

So it is our intent to comply, obviously, with congressional direction on reversible actions. And so we are not anticipating units standing down until we have a clear signal that that is in fact acceptable.

Mr. LATHAM. So does General Lowenberg have any comment on that, if that is reversible?

General LOWENBERG. Yes, reversible only to the extent that you can recruit new members to a new unit with a new mission. Quite

frankly, you cannot bring those people back effectively. That is our big concern.

Mr. LATHAM. Once they are gone, they are gone. Right?

Mr. FORBES. Our time has expired.

Anybody can submit additional questions for the record if they want to.

I made both of you a promise at the beginning, and also talking to you before, if there was anything you wanted to add that you felt you needed to clarify, put in the record beforehand, you can either do it now on the record or submit it in writing.

And let me start with you, General Miller. Anything else that you would like to add that you feel we have left out or you want to clarify for us?

General MILLER. No, Mr. Chairman. I appreciate the opportunity to entertain your questions and speak for the Air Force. And I look forward to continuing to work with my teammates in all the components to give the taxpayer the best we possibly can.

Mr. FORBES. Well, thank you.

And General, if you do determine that, please feel free to submit it for the record.

General Lowenberg.

General LOWENBERG. Mr. Chairman, you very eloquently articulated the frustration that has been felt by the members of this subcommittee and by Members of Congress. And it is a frustration that the National Guard has felt for some time.

It is the frustration that led this Congress to create a commission on the National Guard and Reserves and, as I said in my formal testimony, I believe the benefits of that congressional action are still resonating throughout Congress and throughout the defense community.

I am struck by the fact that the challenges confronted by the Air Force are not unlike the challenges confronted by the Army. And yet the governors were very clear in commending the Secretary and Chief of Staff of the Army for having an open and transparent process. The Army did not require nondisclosure agreements as it puts its fiscal year 2013 budget together.

So I think because the communication with the governors, quite frankly, has not happened to date in any meaningful way, in a very superficial way—there have been four meetings, but there has been a year in which the fiscal year 2013 budget was developed in which no Air Force leader attended any of the Council of Governors meetings—that the Congress would be well advised to support the creation of a commission on the structure of the Air Force.

I believe that will have the same beneficial import and provide the kind of information Congress has been seeking and would be immensely helpful to you as you deal with the fiscal year 2013 and future year budgets. Thank you.

Mr. FORBES. Thank you both. And the ranking member and I both are going to work to—we cannot create that commission, and that is going to be out of our hands to some degree—but one of the things we would like to do is work to make sure we get both of you guys sitting at a table again so we can have these discussions, which I think may be beneficial.

And with that, thank you both for your service and for being here with us today.

And we are adjourned.

[Whereupon, at 12:57 p.m., the subcommittee was adjourned.]

A P P E N D I X

JULY 12, 2012

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

JULY 12, 2012

**Statement of the Congressman Forbes
Chairman, Subcommittee on Readiness**

Air Force Force Structure Reductions

July 12, 2012

I want to welcome all our members, Governor Branstad and our other distinguished panel witnesses to today's hearing that will focus on the readiness impact associated with proposed reductions in the United States Air Force inventory.

In this year's budget request, the President proposed significant reductions in the United States Air Force aviation inventory and proposed to retire 227 aircraft in fiscal year 2013. In supporting this request, General Schwartz, the Chief of Staff of the Air Force indicated that the Air Force "will be a smaller but superb force that maintains our agility, our flexibility and readiness to engage a full range of contingencies and threats."

Using General Schwartz's rationale, a smaller force would be capable of supporting the entirety of Air Force requirements around the globe.

My friends, I do not share General Schwartz's assessment and optimism. The force structure proposed by the President in the fiscal year 2013 budget request is not supported by the requirements and was driven by a fiscally constrained budget. In fact, the Air Force has previously provided the strategic rationale and in public testimony supported a much larger force structure.

If we adopt the budget request proposed by the President and embark on the road to reduce our force structure, we will make the United States less secure and embolden hostile nations to challenge the United States in areas that will not be to our advantage. In the end, the additional risk borne by our budget decisions of today could be paid in the loss of American lives.

I opposed dropping off the force structure cliff of the Budget Control Act and will actively oppose the debilitating impact associated with sequestration.

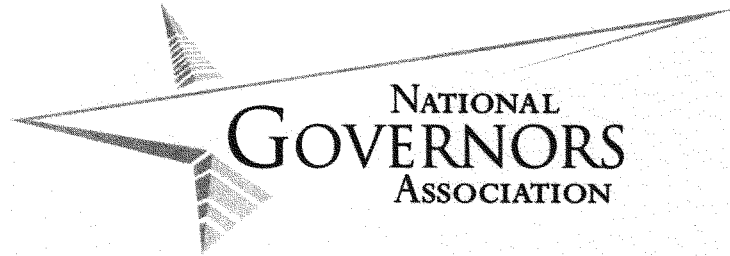
As to the impact of the aviation force structure reductions to the active, guard and reserve components, I believe that it is incumbent on all of the components, to include the Council of Governors, to have an active dialogue to discuss their needs and develop a common understanding of the strategic implications associated with their various interests. It is only through a vigorous discussion of the "Nation's" interests that a clear path will be provided.

As to the road ahead, it appears that there are certain force structure movements that can be agreed by all parties. I would hope that these agreements could be quickly concluded. This would go a long way in relieving the indecision associated with many service members as to their roles in support of national defense. I hope that our hearing today will serve to foster this additional dialogue and best serve our Nation.

Finally, I have heard that some of my colleagues have proposed an independent panel to assess the overall force structure requirements of the United States Air Force. Some critics of this proposal have indicated that the time associated with this independent assessment would significantly harm the Air Force and serve to exacerbate future modernization efforts. While I would support this independent assessment, I believe that there are elements of the overall force structure that should move forward that have broad support and would oppose an extensive freeze of the existing force structure while this assessment is ongoing. Additional clarity on the requirements that support the overall force structure has been lacking for many years and is clearly warranted.

To better assess the overall United States Air Force aviation force structure, we have prepared two panels representing the United States Air Force and the Council of Governors. Representing the Council of Governors, I am pleased to introduce the first panel consisting of a single witness:

The Honorable Terry Branstad, Governor of the State of Iowa.



Statement of
Governor Terry Branstad
Before the
House Armed Services Committee
Subcommittee on Readiness
U.S. House of Representatives

**“Department of the Air Force aircraft force structure reductions
proposed in the 2013 President's budget request”**

July 12, 2012

Chairman Forbes, Ranking Member Bordallo, distinguished members of the Subcommittee, my name is Terry Branstad, Governor of the State of Iowa. I appear before you today on behalf of the National Governors Association, or NGA, and as Co-Chair of the Council of Governors, or Council. Thank you for the opportunity to speak to you today regarding the U.S. Air Force's Fiscal Year 2013 budget request and its disproportionate impact on the Air National Guard.

I would like to begin by thanking this Committee for its leadership and support of the Air National Guard. Thanks to your work and that of the Senate Committee, our Air National Guard will continue to have access to the personnel, aircraft and resources necessary to fulfill its dual-mission at home and abroad during Fiscal Year 2013. With your continued support, governors are working with the Department of Defense (DoD) to find solutions to the challenges facing our nation's military forces. I am hopeful we can find ways to fully leverage the operational strengths and cost savings of the Air and Army National Guard, as we move forward.

Overview

Governors care deeply about their dual responsibilities to support both the federal missions and homeland security requirements that our National Guard soldiers and airmen help fulfill every day. For my own State, we have been deploying airmen overseas since the mid-1990s in support of the No-fly missions and peacekeeping operations in Kosovo, Sinai Peninsula, and Kuwait. Since 9/11, more than 17,000 Iowa National Guard soldiers and airmen have served on active duty in support of the nation's efforts overseas. As a Governor, I truly understand the deep connection between my colleagues and those who serve their state and nation. I also take seriously the responsibilities I have to our returning veterans and to the families whose loved ones have made the ultimate sacrifice for this nation. In Iowa, we have lost 78 servicemembers in the War on Terror.

The National Guard has effectively balanced both mission sets at the same time. Just this last year, the Iowa National Guard deployed the 2nd Brigade Combat Team to Afghanistan in a full-spectrum mission set, making it the largest deployment of Iowa National Guard soldiers and airmen since World War II. At the same time, we were also responding to the historic Missouri River floods with approximately 1,000 National Guard servicemembers, making this the longest duration emergency response operation in our State's history.

As commanders-in-chief, governors take very seriously the duties and responsibilities placed on the men and women of the National Guard. We appreciate the need to reorganize, restructure and modernize the military to meet new threats and economic realities. We also understand the need for cost-effective means to achieve these goals. Governors across the country have made tough choices, but done so in a thoughtful way to leverage the most cost-effective resources available. In the State of Iowa, we continually look for innovative ways to deliver services and have sought ways to better leverage private sector strengths through public-private partnerships. I know that many Iowans at entities like Alcoa, Rockwell Collins, and the Rock Island Arsenal stand ready to help the Pentagon get the most out of their resources.

The Guard is a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air National Guard provides 35 percent of the U.S. Air Force's capability for six percent of the budget.

Therefore, when the Air Force proposed to impose 59 percent of the total aircraft budget reductions and about six times the personnel reductions on the Air National Guard, nearly every governor signed a letter to Defense Secretary Panetta strongly opposing the Air Force's budget proposal (letter attached).

Governors' Concerns with FY2013 Air Force Budget

The Council is a presidentially-appointed bipartisan group of 10 governors and senior federal officials including the Secretary of Defense, the Secretary of Homeland Security and White House officials. The Council provided an opportunity to discuss governors' concerns with Secretary Panetta, Air Force Secretary Michael Donley and Air Force Chief of Staff General Norton Schwartz on February 27.

At that time, I – along with my Council co-chair, Governor Chris Gregoire of Washington – relayed governors' frustration and dismay at having to read about the proposed cuts to the Air National Guard in the newspaper.

While we do not expect to be involved in the day-to-day operational decisions of DoD, we were disappointed by the lack of communication with us on such an important decision impacting the Air National Guard. We were also concerned by the dramatic nature of the proposal and its failure to recognize the role and importance of the Air National Guard in our states and the experience and cost effectiveness that the Air National Guard provides to the Total force.

Governors routinely rely on the National Guard to respond to emergencies. The National Guard has highly trained and readily accessible personnel and equipment that provide critical capabilities such as transportation, communications and medical response. The proposed reductions to the ANG would have stripped states of these capabilities and upended years of carefully crafted emergency response plans. I am now in my 18th year as governor and the Iowa National Guard has always performed to the highest of standards in the toughest of conditions.

During the Council meeting on February 27, Secretary Panetta indicated that he understood our concerns and agreed to work with us to try to find a solution.

Following that meeting, my Adjutant General, or TAG, Major General Timothy Orr, as well as Governor Gregoire's TAG, Major General Timothy Lowenberg, engaged in discussions with the Air Force to try to identify a better solution for FY2013.

While there were several discussions in early- to mid-March, significant differences remained with respect to manpower reductions, fighter aircraft and airlift needs.

On March 19, Governor Gregoire and I spoke with Secretary Donley and General Schwartz regarding insufficient progress to address governors' concerns. By letter on that same day, we encouraged them to consider cost neutral options for cross-leveling or reallocating programmed aircraft operations from the active service to the Guard (letter attached).

Unfortunately, despite our outreach to the Air Force leadership and Deputy Defense Secretary Carter (letter attached), the negotiations did not resolve key differences.

On April 23, Secretary Panetta shared a letter with us that he had sent to Congress (attached) in which he proposed to transfer 24 C-130 units from the active service to the Air National Guard. While we appreciate the Secretary's recognition of governors' need for greater airlift capacity, the proposal was previously presented by the Air Force and fell short of addressing our concerns. As we had discussed

with Secretary Donley and General Schwartz, this proposal failed to leverage the Guard's cost effectiveness to retain additional manpower, expertise, and fighter aircraft at a reduced cost to taxpayers.

Future Years' Budget Proposals

Thankfully, this Committee, as well as the Senate Armed Services Committee, has put forward legislation to preserve Air National Guard manpower and aircraft at current levels for another year. This temporary freeze will provide opportunities to exchange views, information and advice on state and DoD requirements for future fiscal years.

The Council is working on principles and appropriate coordination points for an open channel of communications between states and DoD on matters impacting the National Guard and its dual missions at home and abroad.

One item we have identified that contributed to this year's challenges was the Air Force's requirement that National Guard Bureau officials sign non-disclosure agreements on the budget process. Such a requirement creates an unnecessarily restrictive process that fails to adequately incorporate critical information from states.

The National Guard Bureau is statutorily required to serve as the channel of communications between states and the President and Secretary of Defense. Unnecessarily restricting the ability to share discreet but critical information with governors and their TAGs limits the flow of information and has resulted in disagreements that could have been largely avoided.

This is just one item we hope to discuss with DoD during the upcoming Council meeting this weekend.

As you know, the FY2014 budget proposals for the Air Force and the Army have already been developed and will soon be sent to the Secretary for his review. Without quick action to ensure communications with states, we may be faced with similar budget disagreements next year.

We are hopeful that the ongoing focus by Congress and the Senate Committee's proposed National Commission on the Structure of the Air Force will encourage DoD, the Air Force and the Army to work with us as quickly as possible to establish a better, more collaborative process for the FY2014 and FY2015 budgets.

On behalf of the nation's governors, I thank you for your strong support of our National Guard. Your continued assistance and support will be helpful as governors work with DoD to craft solutions to the problems we share.

Thank you for the opportunity to testify before you today. I look forward to answering any questions you may have.

Attachments:

- NGA letter from 49 governors to Secretary Panetta (February 28)
- Council letter to Air Force leadership (March 19)
- Council letter to Deputy Secretary Carter (March 29)
- Letter from Secretary Panetta to the Council (April 23)



Dave Heineman
Governor of Nebraska
Chair

Jack Markell
Governor of Delaware
Vice Chair

Dan Crippen
Executive Director

February 26, 2012

The Honorable Leon Panetta
Secretary
U.S. Department of Defense
The Pentagon
Washington, D.C. 20301

Dear Secretary Panetta:

We, the nation's governors, strongly oppose the disproportionate cuts facing the Air National Guard as part of the U.S. Air Force's fiscal 2013 budget request.

Over the past decade our National Guard has evolved into a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air Guard provides 35 percent of the U.S. Air Force's capability for six percent of the budget. It performs a variety of domestic missions, including transporting vital personnel, equipment and supplies during emergencies and assisting in daily drug interdiction operations.

As Commanders-in-Chief, we appreciate the need to reorganize, restructure and modernize the military to meet new threats and economic realities. We also understand the need for cost-effective means to achieve these goals. Given these realities, we must oppose the proposal that the Air National Guard absorb 59 percent of the total aircraft budget reductions and approximately six times the per capita personnel reductions.

Governors are extremely proud of the role that the National Guard plays in protecting this nation and its citizens. The National Guard is a highly experienced and capable force and an essential state partner in responding to domestic disasters and emergencies. We respectfully request that the Department of Defense reconsider any proposed Air Guard force or equipment reductions and that you work with governors to fashion solutions that best serve the interests of this nation.

Sincerely,

Dave Heineman Jack Markell

Edmund Brown of Fair Haven - Vt.

Samuel Herbert - J. C. Burke

John - Robert Bentley

Mary Fallon - Robert Ladd

John H. Loring - Sam - S. Loring

Samuel R. Loring - C. L. Clifton

John Malley Mark Dayton

Blaine Smith Jack Daly

Jim Hickey Jim Fazio

Earl Ray Tomlin

James H. Brown Chris Higgins

McDaniel, J. Tony Brant

Donald Tom Platt

Danni Daugard ~~John Kelly~~

Pat Quinn ~~John Kelly~~

Neil Abernethy Ben Rubin

John Bay John

John Bay Martin

Paul Snyder David Smith

Dee Hunt Nathan Deal

W. J. Ben Schaff

John K. ... Bill Harlan

Phil Bryant John ...

Sean ...



March 19, 2012

The Honorable Michael Donley
Secretary
U.S. Air Force
The Pentagon
Washington, DC 20318

General Norton Schwartz
Chief of Staff
U.S. Air Force
The Pentagon
Washington, DC 20318

Dear Secretary Donley and General Schwartz:

Thank you for your call this afternoon to discuss the Air Force's latest proposal to modify the Fiscal Year 2013 budget proposal. Like you, we remain hopeful that a better process can be developed for future proposals affecting the National Guard, because we continue to have significant concerns regarding the ongoing use of the Air National Guard (ANG) as the bill-payer to protect the active component. Specifically, the Air Force's budget proposal fails to consider the ANG's cost-effectiveness, high level of experience, and homeland defense and emergency response missions.

Following the Council of Governors meeting on February 27, through key Adjutants General, we proposed a comprehensive alternative that would decrease operational risk by increasing surge capacity, preserve the experience and technical expertise of the ANG at a greatly reduced life-cycle cost, and exceed targeted savings. Our alternative would ensure a more balanced approach to reductions between the active forces and the ANG and would preserve the necessary personnel and aircraft to respond to domestic emergencies throughout the country.

After numerous discussions, significant differences remain with respect to manpower reductions, fighter aircraft and airlift needs. We encourage your consideration of cost neutral options for cross-leveling or reallocating programmed aircraft operations from the active service to the Guard.

Based on our call today, we understand that on Friday, March 23, you will be meeting with other Pentagon officials to discuss this matter internally. After that meeting, we hope to receive back an offer that can better meet the needs of governors and the ANG.

Sincerely,

Governor Terry Branstad
Co-Chair
Council of Governors

Governor Christine O. Gregoire
Co-Chair
Council of Governors

cc: General Craig McKinley, Chief, National Guard Bureau



Washington



Iowa

March 29, 2012

The Honorable Ashton Carter
Deputy Secretary of Defense
The Pentagon
Washington, DC 20318

Dear Secretary Carter:

Thank you for your efforts to review the U.S. Air Force's budget proposal for Fiscal Year 2013 and its disproportionate impact on the Air National Guard (ANG). We recognize and appreciate the need to reduce costs while providing for a strong national defense and pledge to work with you to resolve our concerns and develop a more collaborative process for future year defense decisions.

As we expressed to the leadership of the U.S. Air Force, governors have significant concerns with the budget proposal for Fiscal Year 2013 due to its disproportionate impact on ANG manpower as well as fighter aircraft and airlift capabilities. Through our Adjutants General, we proposed a comprehensive alternative that would ensure a more appropriate and flexible approach to reductions in the active forces and the ANG and preserve the necessary personnel and aircraft needed by federal authorities to prosecute military actions overseas and by state and federal officials to protect lives and property in our states and territories.

We look forward to a dialog with you about ways to maintain the ANG's important national defense and domestic emergency response capabilities while also meeting the Defense Department's overall goals for the Fiscal Year 2013 budget of implementing the new military strategy and reducing costs. We have worked together to achieve what many considered an unattainable objective – comprehensive and sustainable agreement on how to achieve unity of effort in military support for civil authorities. We're equally committed to working with you to ensure a collaborative process for future budget and policy proposals affecting our nation's National Guard.

Given the urgency of this issue, please let us know the timing of your review and when we will have an opportunity to discuss your recommendations.

Again, thank you for your efforts to address this critical issue.

Sincerely,

Governor Christine O. Gregoire
Co-Chair
Council of Governors

Governor Terry Branstad
Co-Chair
Council of Governors



SECRETARY OF DEFENSE
1 000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Terry Branstad
Governor of Iowa
Des Moines, IA 50319

Dear Governor Branstad:

In February, I asked Air Force leadership to work with you on various options regarding Air National Guard force structure in light of feedback we received from you and others about our FY13-17 budget.

In light of the approaching authorization committee markups on the Hill, I have provided our current assessment to committee leaders in the enclosed letter.

The Department's senior leadership and I have appreciated the opportunity to engage with you over the last several months on your perspectives and feedback on our FY13-17 budget, and we look forward to continuing to do so regarding defense support to civil authorities.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I have also asked my team to establish a sustained process with the Council of Governors to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council has achieved to strengthen unity of effort between the states and DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I look forward to working with you to have such a process in place as DoD develops its plans and priorities for FY14.

Sincerely,

cc:
Secretary of the Air Force
Chief, NGB, General Craig R. McKinley
Assistant Secretary of Defense Paul Stockton



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Christine Gregoire
Governor of Washington
Olympia, WA 98504-0002

Dear Governor Gregoire:

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Sincerely,

A handwritten signature in black ink, appearing to be the name "Don Rumsfeld", written in a cursive style.

cc:
Secretary of the Air Force
Chief, NGB, General Craig R. McKinley
Assistant Secretary of Defense Paul Stockton



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable C. W. Bill Young
Chairman
Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

As you undoubtedly appreciate, my first responsibility is to ensure that we have a military force structure that is ready and capable to defend the nation. In light of the changing global security environment and fiscal realities, the Department undertook a comprehensive reassessment of our defense strategy, which President Obama announced in January 2012. Based on that strategy, the Air Force analyzed the proper mix of capabilities to ensure we can achieve our defense objectives on a day-to-day basis and surge air power in the event of a national crisis. This force structure also had to be cost-effective so that the Department could achieve savings of \$487 billion over 10 years as necessitated by the Budget Control Act.

After further review, the Air Force has determined that we can mitigate impacts to affected states with a \$400 million package that would maintain an additional 24 C-130 aircraft in the Air National Guard. We recognize the important role that these lift aircraft play in our support to civil authorities and to states -- particularly in the event of natural disasters.

I strongly urge you to consider this proposal, which we believe sustains our national defense requirements and is responsive to concerns raised by the Council of Governors.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I will also be reaching out to the Council of Governors to establish a sustained process to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council and the Department has achieved to strengthen unity of effort between the states and the DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I would expect to have such a process in place before the President's FY14 budget is submitted early next year.

Sincerely,

cc:
The Honorable Norman D. Dicks
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

As you undoubtedly appreciate, my first responsibility is to ensure that we have a military force structure that is ready and capable to defend the nation. In light of the changing global security environment and fiscal realities, the Department undertook a comprehensive reassessment of our defense strategy, which President Obama announced in January 2012. Based on that strategy, the Air Force analyzed the proper mix of capabilities to ensure we can achieve our defense objectives on a day-to-day basis and surge air power in the event of a national crisis. This force structure also had to be cost-effective so that the Department could achieve savings of \$487 billion over 10 years as necessitated by the Budget Control Act.

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Sincerely,

A handwritten signature in black ink, appearing to be the name of the Secretary of Defense, written over a horizontal line.

cc:
The Honorable Tad Cochran
Vice Chairman
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Sincerely,

cc:
The Honorable Norman D. Dicks
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Howard P. "Buck" McKeon
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

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I strongly urge you to consider this proposal, which we believe sustains our national defense requirements and is responsive to concerns raised by the Council of Governors.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I will also be reaching out to the Council of Governors to establish a sustained process to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council and the Department has achieved to strengthen unity of effort between the states and the DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I would expect to have such a process in place before the President's FY14 budget is submitted early next year.

Sincerely,

cc:
The Honorable Adam Smith
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1 000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Carl Levin
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

As you undoubtedly appreciate, my first responsibility is to ensure that we have a military force structure that is ready and capable to defend the nation. In light of the changing global security environment and fiscal realities, the Department undertook a comprehensive reassessment of our defense strategy, which President Obama announced in January 2012. Based on that strategy, the Air Force analyzed the proper mix of capabilities to ensure we can achieve our defense objectives on a day-to-day basis and surge air power in the event of a national crisis. This force structure also had to be cost-effective so that the Department could achieve savings of \$487 billion over 10 years as necessitated by the Budget Control Act.

After further review, the Air Force has determined that we can mitigate impacts to affected states with a \$400 million package that would maintain an additional 24 C-130 aircraft in the Air National Guard. We recognize the important role that these lift aircraft play in our support to civil authorities and to states – particularly in the event of natural disasters.

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Sincerely,

cc:
The Honorable John McCain
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



Office of the Governor of Iowa

Governor Branstad (<https://governor.iowa.gov/>)

About the Governor



Governor Terry Branstad was born, raised and educated in Iowa. A native of Leland, Branstad was elected to the Iowa House in 1972, '74 and '76, and elected as Iowa's lieutenant governor in 1978.

Branstad was Iowa's longest-serving governor, from 1983 to 1999. As the state's chief executive, he weathered some of Iowa's worst economic turmoil, during the farm crisis of the '80s, while helping lead the state's resurgence to a booming economy in the '90s.

At the end of his tenure, Iowa enjoyed record employment, an unprecedented \$900 million budget surplus, and the enactment of historic government overhauls that led to greater efficiencies in state government. As a result of Governor Branstad's hands-on, round-the-clock approach to economic development, Iowa's unemployment rate went from 8.5 percent when he took office to a record low 2.5 percent by

the time he left in 1999.

Following his four terms as governor, Branstad went on to serve as president of Des Moines University (DMU). During his 6-year tenure, he was able to grow the university into a world-class educational facility. Its graduates offer health care in all 50 states and in nearly every Iowa county. While there, he grew enrollment, increased the endowment and integrated new buildings, programs and initiatives.

In October of 2009, sensing a need for change in the way state government operates and wanting to "lead Iowa's comeback," Branstad retired from DMU to explore running for governor in 2010. He launched his campaign in January of 2010, and in June he won the Republican primary and named energetic state Senator Kim Reynolds as his running mate.

This team traveled to each of Iowa's 99 counties, sharing their commitment to the creation of 200,000 new jobs for Iowans, a 15 percent reduction in the cost of government, a 25 percent increase in family incomes, and a renewal of national excellence of Iowa's schools. As a result, they were elected as Iowa's governor and lieutenant governor on November 2, 2010 and were sworn into office on January 14, 2011.

True to his word, Gov. Branstad, along with Lt. Gov. Reynolds committed to a balanced budget in their first year in office. For the first time in decades, the Legislature passed, and Gov. Branstad signed, a two-year budget with a 5-year projection. This budget provided Iowa businesses the predictability and stability they needed to grow.

As a result, Iowa added more than 46,000 gross new jobs in 2011, Branstad's first year in office. Iowa added 13,500 net new jobs in 2011, which is 6 times more than the 2,200 average net new jobs a year during the previous 12 years.

Gov. Branstad and Lt. Gov. Reynolds are encouraged by these numbers and believe the new Iowa Partnership for Economic Progress they created last year will only build Iowa's economic health.

Gov. Branstad continues to push for government efficiencies and spending the hardworking taxpayers' dollars in the most effective manner possible. When running for governor, Branstad set a goal of reducing the size and cost of government by 15%. At the current rate, Gov. Branstad projects that the administration will meet this goal in 2014.

In the 2012 legislative session, Gov. Branstad and Lt. Gov. Reynolds will continue to push for commercial property tax reform, not because it costs businesses money, but because it costs Iowans jobs.

The pair has also made education reform a top priority of the 2012 session. Gov. Branstad and Lt. Gov. Reynolds believe that in order to attract world-class jobs, we must have a world-class workforce. Iowa's children deserve the opportunity to compete for careers in a global environment.

He and his wife Chris have three grown children: Eric (Adrienne), Allison (Jerry Costa) and Marcus (Nicole), and four grandchildren, Mackenzie, Bridget, Sofia and Alexis.

(#) (#) (#) (#) (#)

Office of the Governor

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Phone: 515.281.5211 | [Contact Us \(/contact/\)](#)

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DEPARTMENT OF THE AIR FORCE

**PRESENTATION TO THE COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON READINESS
UNITED STATES HOUSE OF REPRESENTATIVES**

SUBJECT: FISCAL YEAR 2013 FORCE STRUCTURE CHANGES

**STATEMENT OF: LIEUTENANT GENERAL CHRISTOPHER D. MILLER
DEPUTY CHIEF OF STAFF
STRATEGIC PLANS AND PROGRAMS
UNITED STATES AIR FORCE**

JULY 12, 2012

**NOT FOR PUBLICATION UNTIL RELEASED BY
THE SUBCOMMITTEE ON READINESS
UNITED STATES HOUSE OF REPRESENTATIVES**

Introduction

Air Force leadership is responsible for building an Air Force that advantages America and ensures success in meeting any challenge we are asked to overcome. Sustaining the right mix of air, space and cyber capabilities required a number of difficult choices to be made in our most recent budget submission, such as the proposals to retire, divest, or transfer aircraft along with the accompanying personnel changes. We fully respect and value the stewardship that the Congress exercises in these matters and thank you for your strong, continuing support to the men and women of our Air Force. We are committed to faithfully executing the law and welcome this opportunity to provide members of Congress our perspective with regard to the Fiscal Year 2013 force structure proposals.

The US Air Force's Fiscal Year 2013 President's Budget (FY13 PB) submission reflects a very carefully-considered prioritization of resources. If enacted, this budget will yield an Air Force with the smallest Total Force personnel end strength and total aircraft inventory in our history as a Service. It was developed, debated and validated not only within Air Force but also across the entire Department of Defense (DoD), including involvement by the Joint Staff, the service chiefs, combatant commanders, and the Office of the Secretary of Defense's Cost Assessment and Program Evaluation, Policy, and other senior leadership. This effort produced the most effective Total Force solution we could devise to support the Secretary of Defense's January 2012 Strategic Guidance and meet the requirements of the Budget Control Act. Our guiding principle was balance, with regard to both required capability and capacity of the nation's Air Force. To retain critical core Air Force capabilities and the ability to effectively respond to mission demands, the Air Force balanced risk across all mission areas. We also

balanced the demands on today's Air Force and Airmen with the compelling need to sustain the strength of our future Total Force.

With regard to proposed reductions, two important principles drove our decision-making:

First, we chose quality over quantity. As we shape the force to match the demands of the new strategy, retaining larger numbers of under-resourced USAF aircraft, without the full human and financial resources needed to operate and maintain those airframes, would significantly increase the risk of a hollow force that would inevitably become inadequate to provide the global vigilance, reach and power the American taxpayer expects. Two decades of continuous combat operations have accelerated the aging of our aircraft and detracted from the nation's ability to recapitalize them. Additionally, we have experienced a gradual erosion of our ability to train for the most demanding wartime missions, due to the constant pace of ongoing deployed operations. Intense efforts to find efficiencies over several years have been fruitful as well, but all of these factors have combined to leave the Air Force with limited ability to shift resources and personnel within or between air, space and cyber mission areas to sustain excess aviation force structure without either hollowing today's force or mortgaging tomorrow's.

Second, we are a Total Force that is deeply, irrevocably and successfully integrated. We provide air, space and cyber capabilities that fundamentally depend on the effective employment of appropriately organized, equipped and trained Active, Guard and Reserve Airmen. Sustaining all aspects of that force, meeting the demands currently and potentially placed on it, while respecting the inherent character of each part of the Total Force, was a key determinant of our FY13 force structure proposal and the active/reserve component mix reflected in it.

Aligning to Strategic Guidance

In 2011, the end of combat operations in Iraq and impending changes in Afghanistan along with changing fiscal circumstances made it prudent for the administration to reassess the U.S. defense strategy. That assessment produced a new strategy that transitions the defense enterprise from a predominant emphasis on the last decade's conflicts, to one that rebalances the force for a broader spectrum of potential conflicts while advancing the important national security imperative of deficit reduction by significantly reducing defense spending.

The focus of the Air Force's Fiscal Year 2013 President's Budget submission was squarely on those Air Force capabilities and forces which support realignment to the new US Defense Strategy. Our decisions were shaped by a decrease in planned resources, relative to FY2012, of approximately \$54 billion dollars over the planning period. This was DoD's allocation to the USAF of the demanding fiscal requirements of the Budget Control Act of 2011.

Within this context, our FY13 goal was to ensure we sustain the enduring and unique Air Force contributions the Air Force brings as a key part of the Joint team: domain control of air and space; global intelligence, surveillance, and reconnaissance; rapid global mobility; and global strike, all underpinned by command and control—ensuring our efforts are focused properly on contributing to the attainment of the defense strategy's top priorities. These four core contributions represent the Air Force's highest-priority mission areas, whose required capabilities we must protect even in an environment of fiscal constraint.

Building the FY13 Proposal

The Air Force Program is formulated each year using a collaborative, bottom-up process, structured around the Air Force's core functions and with participation at multiple levels by air

staff leadership and Air Force major commands, including the Air National Guard (ANG) and Air Force Reserve. Following completion of Service deliberations, the Office of the Secretary of Defense program and budget review process validates and shapes the overall DoD program, including its Air Force aspects. FY13 decision-making was inclusive and collaborative, involving all Air Force major commands including the Air National Guard and Air Force Reserve. Due to the significant impact of Budget Control Act fiscal constraints, additional effort was focused on discussion between the senior leaders of the Air National Guard Bureau (ANGB), Air Force Reserve Command (AFRC), National Guard Bureau (NGB) and United States Air Force (USAF) to address the most difficult force structure issues.

This process focused on a number of important factors: combatant commander requirements for surge and post-surge (rotational) forces, weapons systems inventory, manpower, force policy such as deploy-to-dwell rates, and cost. It was based on detailed analysis involving multiple, approved DoD force sizing scenarios and conditions required to align our forces with the new strategy. This analysis assessed the force structure capacity required to meet the demands of both foundational activities, such as Forward Presence and Security Force Assistance, and Combatant Commander requirements outlined in the US Defense Strategy, including Defense Support of Civil Authorities.

We assessed requirements by weapons systems types and their interdependencies to ensure they met capability, force sustainment, readiness, and overseas presence requirements. Additionally, required response times, a sustainable stateside to overseas personnel flow arrangement, the effects of varied crew ratios, and training assumptions were also examined for relevancy and sufficiency. These factors play a major role in the Air Force's ability to meet combatant commander requirements and inform the active and reserve component mix decisions

Deliberations encompassed a variety of manpower factors, including Total Force training, absorption (training and development of experience) into weapons systems, sustainment, readiness, and development, to ensure the long term health of the personnel enterprise. A careful balance of these factors is needed to preserve the all-volunteer force construct and the character of each of its components. We are keenly aware that there is a delicate balance of the active and reserve components' interdependent "continuum of service" that underpins their symbiotic relationship. As the active component has decreased in size, and the reserve component has remained more constant over the last several decades, our ability to strike a workable balance can no longer be taken for granted and is the subject of ongoing work to quantify and better understand the key management aspects of this "symbiotic relationship."

We strenuously considered and debated, with Guard and Reserve leadership participation, the application of Department of Defense policy on deployment-to-dwell ratios and mobilization guidance designed to support the long term health of the US armed forces. Air Force analysis considered the entire range of the deployment-to-dwell policy as expressed in the "force management risk and stress" metric from the Chairman of the Joint Chiefs' integrated risk matrix. There was significant discussion of the degree and means by which volunteerism can be counted upon to meet continuous rotational deployment requirements.

Finally, we deliberated FY13 force structure proposals, considering both deployed and home station costs for each Air Force component, mindful we must meet all these requirements while remaining within the constraints of available funding and limitations imposed on the Department by the Budget Control Act of 2011.

Active / Reserve Component Force Balance

The Air Force made no starting assumptions about the desired mix of active and reserve component forces. The above-described analysis of DoD-approved force sizing scenarios consistent with the strategic guidance yielded DoD-validated aggregate requirements for surge and post-surge capability in specific weapon systems. Given these requirements, applying DoD personnel-management policy on desired rotation rates, and accepting increased but manageable risk, the Air Force decided to divest 102 A-10s, 21 F-16s, 65 C-130s, 38 C-27Js, 27 C-5As and 20 KC-135s from across the Total Force. These force structure and related personnel reductions account for \$8.7 billion of the total \$54B Air Force reductions. Of note, fully restoring Air National Guard force structure would require a total of \$4.4 billion in Air National Guard and Active Duty appropriations across the Future Years Defense Program (FYDP) to restore and sustain all of the Air National Guard force structure reduced in the FY13 President's Budget.

Specifically, the Air Force proposal would retire 82 fighters, 57 mobility aircraft, and 12 tankers at 15 ANG locations. At 12 of these locations, the Air Force proposed backfilling ANG units with new and/or enduring missions, such as Remotely Piloted Aircraft, MC-12s, or C-130s. The Air National Guard participated in Air Force decision making regarding these force structure changes and recommended the locations where these changes would occur and those locations recommended for backfills and re-missioning.

It would have been ill-advised and short-sighted to make proportional "salami-slice" cuts to the components or to try to establish an arbitrary mix. The Secretary of Defense's deploy-to-dwell goal is to ensure active duty forces deploy at a rate of no more than 1:2 (for example, 6 months deployed followed by 12 months at home base) and the reserve components (ANG and the Air Force Reserve) no more than 1:5. An active-reserve balance that requires either routine active duty deployment above the policy guideline, or involuntary mobilization of the reserve

forces to avoid over-use of active forces, would add further stress on the total force and indicate that the Air Force does not have the proper balance.

The valuable role of the citizen soldier is enduring-- and consequently decisions since 1982 have resulted in the overall percentage of the total Air Force strength composed by the ANG and the Air Force Reserve increasing from 22% to 35%. Had the ANG been proportionally reduced along with the active component over this same 30 year period, it would be just above one-half the end strength it is today -- 57,700 rather than 106,700. Instead, the Air Force has consistently chosen to make forward-looking, analytically-informed decisions on the AC/RC mix to ensure it will sustain the health of all parts of its Total Force and meet the current and anticipated requirements of the combatant commanders.

The Air Force is seeking to manage both active duty and reserve components at a sustainable level capable of meeting Department of Defense best possible projections of routine requirements for overseas rotational forces, surge forces for crises, and sustained expeditionary operations. The FY13 adjustments made to the AC/RC mix contribute to the Air Force's ability to meet current and foreseeable demand within these deploy-to-dwell goals; DoD concurred in multiple analytical reviews during the deliberations that resulted in the FY13 PB.

Council of Governors

At a February 27, 2012 meeting between senior Department of Defense officials and the Council of Governors (CoG), co-chairs Governors Christine Gregoire and Terry Branstad expressed concern regarding the impact of the President's FY13 budget proposals on the Air National Guard. In response to these concerns, the Secretary of Defense offered the CoG an opportunity to suggest an alternative approach, which was received by DoD on March 2. The

Secretary of the Air Force, Michael Donley, and Chief of Staff of the Air Force, Gen. Norton Schwartz, personally met with CoG-designated representatives on four occasions to discuss the CoG proposal and alternative excursions.

Council of Governors' Proposal

The CoG proposed to "buy back" 18 F-16s and transfer 72 aircraft from the active AF to the ANG, including 54x F-16s, 10x KC-135s, and 8x C-130s. Air Staff analysts including members of the Air National Guard examined the Council of Governors' proposal in detail. Based on criteria the Secretary of the Air Force approved and conveyed to the CoG representatives, the proposal was evaluated for impact in categories of demand, weapons systems, manpower, cost and policy. The proposal did not meet any of the five criteria. Specifically, the CoG proposal retained combat aircraft unnecessary to meet the defense strategic guidance, decreased overall Air Force ability to train pilots, produced unacceptable impacts to specific combatant commanders, reduced Total Force capacity to meet worldwide rotational demands, had adverse impacts on the sustainability of the force, and imposed additional cost.

The CoG proposal presented a sourcing option that suggested fighter fleet leveling and overseas F-16 and C-130 transfers to the ANG. The Air Force and ANG teams considered that sourcing option, as well as a second Air Force sourcing option not involving overseas F-16s or other 'first to fight' F-16 specialized units. While the Air Force determined that this proposal could still meet surge requirements, and had the benefit of covering ANG locations uncovered in the FY13 PB, either sourcing option had important drawbacks:

- Due to the limited number of active duty F-16 locations, transfer of F-16s to the ANG would cause a reduction in overseas presence that would need backfill by rotational forces at significant cost.
- Shifting active duty fighters to the ANG would raise the total reserve component percentage of the combat air forces from 38 to 43 percent, increasing the likelihood that the current operational tempo will become unsustainable for both active and reserve forces.
- Reducing the size of active duty F-16 units from 24 to 18 aircraft in order to source the added F-16 ANG squadrons would lead to an inefficiently sized and less ready force, since smaller units are more costly per training hour and less flexible and capable for deployment purposes.
- The two remaining CONUS combat-coded active duty F-16 locations would have their missions negatively impacted by these transfers.

Concerning the C-130 force, the CoG proposal sought to retain the C-130 unit at Carswell and implied sourcing it by reducing the active duty C-130 squadron in Europe from 14 to 8 aircraft. As the only active duty C-130 squadron in Europe, this unit is heavily tasked for EUCOM and AFRICOM missions and would require rotational augmentation from CONUS to meet its mission requirements. Fully 58 percent of the tactical airlift fleet is already in the reserve components; further transfer would increase strain on the force.

The CoG also proposed restoring 10 KC-135's reduced from the ANG units at Rickenbacker (+6) and Pittsburgh (+4). The most feasible source was McConnell AFB, KS, but reductions there would further unbalance the mix for heavily-tasked KC-135s and adversely impact the efficiency of McConnell units.

Overall, DoD estimated the cost of the original CoG proposal at \$50-60 million in FY13 and \$500-800 million across the FYDP, which did not meet either the CoG assertion or SecAF criterion for a cost-neutral solution.

Further Dialog

The staffs developed and analyzed five additional options. All of these options attempted to provide the ANG with combat and/or enabler missions sourced from various locations, to include reallocation of assets within the ANG. Based on consistent concerns expressed by individual Governors over time, and the Air Force's desire to provide force structure with utility to meet State missions, the last option presented to the Council of Governors' representatives was designed to restore 24 C-130 aircraft and various Agile Combat Support manpower positions to the Guard. The Agile Combat Support manpower positions were in areas such as firefighting, explosive ordnance disposal and command and control.

The Air Force responded with this proposal, despite knowing it did not meet the criteria discussed above, in an effort to address the Council of Governors' concerns. These aircraft would have been excess to Air Force requirements for tactical airlift and would have resulted in an additional cost of \$400 million across the FYDP to the Air Force plus a \$173 million cost to the Air National Guard to restore additional Agile Combat Support positions. The proposed distribution for these aircraft would have provided for continuing ANG missions at locations most impacted in the proposed FY13 President's Budget.

The 24 C-130 restoral, as proposed, would also have included funding for 1,179 manpower positions to the Air National Guard. The accompanying Agile Combat Support manpower action would have restored 1,004 positions to a number of locations and functions

across the Air National Guard; this action would have been sourced by reducing ANG full-time technician end strength by 2%, for a total plus-up of 2,183, yielding an Air National Guard end strength of 103,383.

The Council of Governors' representatives did not accept this option. In a 19 March letter to the Secretary of the Air Force, the CoG Co-Chairs reiterated their original approach and solicited an additional offer.

In light of DoD's understanding that a key issue with the Air Force's FY13 PB reductions was the reduction of airlift aircraft needed for emergency response, the Secretary of Defense recommended to the appropriate committees of the Congress that they consider a proposal which would maintain an additional 24 C-130 aircraft. The Secretary proposed this option as a reasonable compromise that addresses the states' expressed concerns about airlift while not undoing DoD's ability to meet its operational and fiscal commitments.

Future Discussions with the Council of Governors

The capabilities and characteristics of the Active and Guard Components of the Air Force were exhaustively examined during the formulation of the FY13 President's Budget, and as open and inclusive within DoD as those processes were, the environment in which we operate is becoming more challenging. Accordingly, the Secretary of Defense and the Air Force believe that opportunities exist to strengthen the processes by which Governors and the Department of Defense exchange views on National Guard budget and force structure issues. One means to this end is ongoing work to adopt a Statement of Principles intended to guide the establishment of a sustained process with the Council of Governors to exchange views, information and advice on

state civil support requirements. Such principles must be consistent with and fully supportive of the authorities and responsibilities of all parties involved.

FY13 Way Ahead

In response to Congressional concerns, both the Secretary of the Air Force and the Secretary of Defense have agreed to suspend all force structure changes—even those approved as part of previous legislation—pending Congressional action on the FY13 President's Budget. Secretary Donley has committed in testimony that he would not take actions presuming favorable outcome of the FY13 proposals. In addition, the Secretary of Defense has directed the Air Force to suspend aircraft transfers and retirements programmed in previous years' budgets and previously scheduled for implementation in FY12, with the expectation that Congress completes action on the FY13 defense authorization and appropriations bills prior to the end of the fiscal year. This suspension is meant to minimize disruption while the Congress considers our FY13 force structure reduction proposals.

As directed by the Secretary of Defense, we will also continue work begun with Congressional staff to provide cost estimates for the force structure and aircraft whose transfer or retirement are being delayed; and to identify those transfers and retirements where Congress and the Air Force, including the Air National Guard and Air Force Reserve, agree that previously addressed force structure changes should move forward.

Previous Years' (FY10-12) Actions

Suspension of actions programmed based on FY 10-12 Budgets will affect 150 aircraft transfers and 98 aircraft retirements scheduled for implementation in FY12. Retaining the 98 aircraft scheduled for retirement will cost the Air Force an additional \$255 million in FY13 that

was not planned for. This cost figure would include the restoration of minimum flying hours to operate and maintain the 98 aircraft that had been programmed to retire, and would provide for aircraft maintenance, aviation fuel and the procurement of both depot level and consumable aircraft spare parts. If the aircraft were to be retained indefinitely, this cost would increase since major periodic (depot) maintenance and modernization funding, not accounted for in the one-year suspension, would then be required.

The inability to move aircraft as planned causes operational impacts, such as delaying conversions of AC and RC units to newer weapon systems, preventing the Air National Guard from recapitalizing its aging C-5A and C-130E aircraft, impairing F-22 training and improvements in F-16 pilot production, and driving the Air Force to maintain multiple weapon system configurations at a single location which delays the Air Force from capitalizing on maintenance efficiencies and reduced costs. These delays impact our military capability and readiness, while introducing uncertainty in future missions and training schedules for affected units and the associated Airmen and families. They will also delay the Air Force's ability to reach the level of budget reductions mandated in the 2011 Budget Control Act.

FY13 President's Budget Actions

The force structure actions in the FY13 President's Budget are intended to retire 286 Total Force aircraft across the FYDP, and account for \$8.7 billion dollars of the reductions programmed by the Air Force in this cycle. Suspension of the retirement and divestiture actions programmed in FY13 alone will incur an additional cost of \$1.4 billion and have even more far-reaching impacts on training, unit conversion and achievement of the savings targets mandated under the Budget Control Act.

If the Air Force is required to retain the force structure over the FYDP, the likely result is either cancellation of modernization programs, a renewed need to consider force structure reductions in subsequent years, or an unacceptable hollowing of the retained force as resources to support operations and maintenance fall short of true requirements.

Conclusion

In this difficult and still-evolving fiscal environment, the Air Force—including Air Force Reserve and Air National Guard leadership—worked hard to understand the demands on the force and resources available to meet them. We deliberated how best to fashion a ready and superb Total Force. Through careful, joint-sanctioned modeling, analysis indicated we could not sustain further active component cuts without jeopardizing the collective ability of the Total Force to support our Nation’s strategic interests. Given the way America’s Air Force has historically been employed, and is projected to be employed, failure to decelerate the pace of cuts to the active component would put at risk our collective ability to conduct future surges, to operate through the surge successfully, and then to fulfill post-surge, steady-state rotational requirements—all of which the Nation will continue to demand of its Air Force.

We believe we achieved the proper balance in our FY13 budget submission to mitigate this risk under the current US Defense Strategy. We are rebalancing the Total Force to sustain the unique roles the active component must continue to fulfill for the entire Total Force: the preponderance of recruiting, initial and advanced technical training, and virtually all Total Force research, development, test and evaluation, and procurement. Of equal importance, the Air Force invested significantly in rebalancing to support the unique and essential role the Air National Guard plays in domestic contingencies and in satisfying civil support requirements.

Leadership across the components did not always agree with complete unanimity—just as Major Commands within the Air Force, Combatant Commands and other agencies across the Department of Defense did not always agree with decisions that the Air Force took and which were sustained by the Secretary of Defense and the President. Respecting the roles of the Secretary of Defense, the Chief of the National Guard Bureau and responsibilities of all participants, development of a framework for ongoing dialog with Adjutants General and the Governors is a work in progress. There is potential benefit from a structured exchange of views that can supplement existing processes to better inform DoD understanding of States' concerns, better inform Governors on DoD missions and resource considerations, and result in budget proposals to the Congress that encompass the results of such dialog.

Delaying FY 2013 force structure decisions and potentially revisiting decisions from earlier budget cycles will only make our FY 2014 deliberations even more complex and difficult. These delays impact our military capability and introduce uncertainty in future missions and training schedules for the effected units; and they will also delay the Department's ability to reach the level of budget reductions mandated in the 2011 Budget Control Act.

America's Air Force succeeds best by leveraging the unique contributions made by Active, Guard and Reserve Airmen, in the right proportions to succeed at what the nation asks us to do. Not getting this balance right risks damaging the symbiotic relationship that underpins Total Force success—a condition that is not acceptable to anyone. The Air Force has been in sustained conflict operations for more than two decades, and we are likely in the future to be called upon to provide substantial forward presence and response capability in areas where ground conflict has ended or not yet begun. We have been, and must continue to be, diligent in structuring America's Total Air Force to succeed over the long haul. With your support, we will

continue to effectively provide the global vigilance, reach and power the nation expects from its Air Force.



BIOGRAPHY

UNITED STATES AIR FORCE

LIEUTENANT GENERAL CHRISTOPHER D. MILLER

Lt. Gen. Christopher D. Miller is Deputy Chief of Staff for Strategic Plans and Programs, Headquarters U.S. Air Force, Washington, D.C. In support of the Chief of Staff and Secretary of the Air Force, General Miller leads the development and integration of the Air Force's long-range plans and the five-year, \$635 billion U.S. Air Force Future Years Defense Program to ensure Air Force ability to build and employ effective air, space and cyber forces to achieve national defense objectives.



General Miller entered Air Force service as a distinguished graduate of the U.S. Air Force Academy in 1980, subsequently earning a master's degree from Oxford University. His staff assignments include two previous tours at Headquarters U.S. Air Force in international affairs and plans and policy positions; and duty as policy adviser to the U.S. Ambassador to NATO. He was a Military Fellow at the Council on Foreign Relations; the Director of Assignments at the Air Force Personnel Center; and Director of Plans, Policy and Strategy for North American Aerospace Defense Command and U.S. Northern Command. The general is a command pilot with more than 2,700 flying hours in B-2, B-1 and T-38 aircraft.

General Miller's operational assignments include two wing commands, serving as the senior Air Force commander in Afghanistan, responsible for Airmen and aircraft conducting joint and coalition reconstruction and combat operations; and command of America's only B-2 wing at Whiteman AFB, Mo. He was part of the B-1B initial cadre, and commanded at both squadron and group levels during maturation of the B-1's global conventional strike capability.

EDUCATION

1980 Bachelor of Science degree in international relations and history, U.S. Air Force Academy, Colorado Springs, Colo.
 1982 Master of Philosophy degree in international relations, Oxford University, England
 1985 Squadron Officer School, by correspondence
 1991 Master of Arts degree in national security and strategic studies, College of Naval Command and Staff, Naval War College, Newport, R.I.
 1996 Air War College, by seminar
 1997 College of Security Studies and Defense Economics, George C. Marshall European Center for Security Studies, Garmisch, Germany
 2003 Senior Executive Program, Columbia University, New York, N.Y.
 2007 National Security Studies Program, George Washington University, Washington, D.C.

ASSIGNMENTS

1. October 1980 - July 1982, graduate student, Oxford University, England
2. August 1982 - July 1983, student, undergraduate pilot training, Williams AFB, Ariz.
3. August 1983 - November 1986, T-38 instructor pilot, squadron executive officer, wing assistant executive officer and inspector general, 82nd Flying Training Wing, Williams AFB, Ariz.
4. December 1986 - September 1987, international politico-military affairs officer, Office of the Assistant to the Secretary of the Air Force for International Affairs, the Pentagon, Washington, D.C.
5. September 1987 - January 1988, B-1B pilot initial qualification training, Dyess AFB, Texas
6. February 1988 - June 1990, B-1B pilot, aircraft commander and flight commander, 28th Bomb Squadron, McConnell AFB, Kan.
7. July 1990 - June 1991, student, College of Naval Command and Staff, Naval War College, Newport, R.I.
8. July 1991 - July 1993, air operations officer and Chief, Concepts Branch, Strategy Division, Deputy Chief of Staff for Plans and Operations; later, policy and issues analyst, Secretary of the Air Force Staff Group, Headquarters U.S. Air Force, Washington, D.C.
9. August 1993 - December 1996, operations officer and Commander, 37th Bomb Squadron; later, Deputy Commander, 28th Operations Group, Ellsworth AFB, S.D.
10. December 1996 - June 1997, Air Force Fellow, College of Security Studies and Defense Economics, George C. Marshall European Center for Security Studies, Garmisch, Germany
11. August 1997 - March 2000, policy adviser on Defense Planning, U.S. Ambassador to NATO, Brussels, Belgium
12. April 2000 - August 2001, Commander, 7th Operations Group, Dyess AFB, Texas
13. August 2001 - July 2002, Military Fellow, Council on Foreign Relations, New York, N.Y.
14. July 2002 - April 2004, Director of Assignments, Headquarters Air Force Personnel Center, Randolph AFB, Texas
15. April 2004 - May 2006, Commander, 509th Bomb Wing, Whiteman AFB, Mo.
16. May 2006 - May 2007, Commander, 455th Air Expeditionary Wing, and Director, Air Component Coordination Element, Bagram Airfield, Afghanistan
17. May 2007 - August 2009, Director of Plans, Policy and Strategy (J5), North American Aerospace Defense Command and U.S. Northern Command, Peterson AFB, Colo.
18. August 2009 - November 2009, Special Assistant to the Vice Chief of Staff, U.S. Air Force, Washington, D.C.
19. November 2009 - present, Deputy Chief of Staff for Strategic Plans and Programs, Headquarters U.S. Air Force, Washington, D.C.

SUMMARY OF JOINT ASSIGNMENTS

1. August 1997 - March 2000, policy adviser on Defense Planning, U.S. Ambassador to NATO, Brussels, Belgium, as a colonel
2. May 2006 - May 2007, Director, CJTF-76 and CJTF-82 Air Component Coordination Element, Bagram Airfield, Afghanistan, as a brigadier general
3. May 2007 - August 2009, Director, Plans, Policy and Strategy (J5), Headquarters North American Aerospace Defense Command and U.S. Northern Command, Peterson AFB, Colo., as a major general

FLIGHT INFORMATION

Rating: Command pilot
 Flight hours: More than 2,700
 Aircraft flown: B-1, B-2, T-37 and T-38

MAJOR AWARDS AND DECORATIONS

Defense Superior Service Medal with oak leaf cluster
 Legion of Merit with two oak leaf clusters
 Bronze Star Medal
 Meritorious Service Medal with three oak leaf clusters
 Afghanistan Campaign Medal with two bronze stars

EFFECTIVE DATES OF PROMOTION

Second Lieutenant May 28, 1980
 First Lieutenant May 28, 1982
 Captain May 28, 1984
 Major Jan. 1, 1990
 Lieutenant Colonel June 1, 1993
 Colonel Sept. 1, 1998

LIEUTENANT GENERAL CHRISTOPHER D. MILLER

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Brigadier General Sept. 1, 2005
Major General Nov. 1, 2008
Lieutenant General Nov. 16, 2009

(Current as of March 2011)

TESTIMONY of
Major General Timothy J. Lowenberg
The Adjutant General, Washington National Guard
and
Director, Washington Military Department

BEFORE THE

House Armed Services Subcommittee on Readiness
U.S. House of Representatives

*“Department of the Air Force aircraft force structure reductions
proposed in the 2013 President’s budget request”*

July 12, 2012

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE ARMED SERVICES SUBCOMMITTEE ON READINESS

TESTIMONY BY

MAJOR GENERAL TIMOTHY J. LOWENBERG
THE ADJUTANT GENERAL, WASHINGTON NATIONAL GUARD

Good day, Mr. Chairman and distinguished members of the Committee. For the record, my name is Major General Tim Lowenberg. I am the Adjutant General of the State of Washington and Chair of Homeland Defense and Homeland Security of the Adjutants General Association of the United States (AGAUS).¹ I have served as Adjutant General since September 1999 and as AGAUS Chair of Homeland Defense and Homeland Security since February 2000. Adjutants General are Joint Forces Commanders of the Air and Army National Guard forces of their respective states. We are responsible for providing combat-ready units and trained and ready citizen-airmen and soldiers for federal military missions anywhere in the world and for state military missions as directed by our Governors. Every day for more than a decade, Air and Army National Guard forces from my command have been serving in a dozen or more operating locations, in nearly as many nations, throughout the world.

In addition to being a force provider for OCONUS Combatant Commanders via U.S. Air Force *Air Expeditionary Force* (AEF) and *Army Force Generation* (ARFORGEN) deployments, I provide cyber units and trained and ready cyber warriors for U.S. Cyber Command's domestic and transnational cyber operations. In the homeland, Chemical, Biological, Radiological and Nuclear (CBRN) task force elements stand ready to deploy at my order and under my continuing command in support of civil authorities throughout the United States, its territories and the District of Columbia. Washington's 10th Civil Support Team (a joint Air and Army team) was the first CST certified to Congress as fully operationally capable (FOC) and our FEMA Region X Homeland Response Force (HRF) (a joint Air and Army task force) was the second HRF in the nation to be certified FOC by the Chief of the National Guard Bureau and Commander of U.S. Northern Command. Since Air and Army National Guard units comprising the HRFs and other CBRN elements and task forces are not dedicated solely to homeland defense missions, Adjutants General assure their readiness through a continuous balancing of their homeland defense responsibilities and worldwide AEF and ARFORGEN missions.

In addition to Air and Army National Guard command responsibilities, Washington law designates the Adjutant General as the senior state emergency management official and vests in the Adjutant General responsibility to "administer the comprehensive emergency management program of the state of Washington" (RCW 38.52.005). The state's civilian emergency management director (the current President of the National Emergency Management Association – NEMA) is appointed by me and serves at my pleasure. As Adjutant General, I also oversee Washington's statewide Enhanced 911

¹ It should be noted that I appear before the Committee today in "State" status. Although I have served as an Air Force officer for more than 44 years, my testimony has not been reviewed or approved by anyone in the United States Air Force or the Department of Defense.

telecommunications system and am a voting member of the State Interoperability Executive Committee (SIEC). In addition, as the Governor's Homeland Security Advisor and State Administrative Agent (SAA) for the State of Washington, I am the Governor's agent for all matters pertaining to homeland defense and homeland security and oversee the administration of all Department of Homeland Security grant programs, including allocation and distribution of grant monies to all state agencies, cities, counties, tribal governments and private and non-profit organizations. In this capacity, I have dealt directly on a regular basis with each Secretary of the Department of Homeland Security (DHS) since creation of the Department.²

The Adjutants General of many other states and territories are vested with military commander, force provider, civilian emergency management, and homeland defense / homeland security responsibilities much like my own. In states in which National Guard, state emergency management, emergency telecommunications and homeland defense / homeland security functions are not merged under the operational control of The Adjutant General, my general officer counterparts work closely with senior state and federal colleagues to develop and sustain highly synchronized state civil-military emergency preparedness and response capabilities.

Finally, I've been privileged to work with leaders of the National Governors Association for more than a decade and to support the Council of Governors since its formation in 2010. Washington Governor Christine Gregoire has co-chaired the Council of Governors from its inception, and it has been my honor to work on her behalf and on behalf of all governors with senior Department of Defense, Air Force, Army, Homeland Security and White House officials on a wide range of military issues, including the Air Force FY13 budget request.

The responsibilities outlined herein are unique to Governors and Adjutants General. No federal military official has a comparable scope of operational responsibilities or direct engagement in as many aspects of our nation's military, homeland defense and homeland

²I have also been a member of the Executive Board of the Governors Homeland Security Advisors Council (GHSAC) since its formation and have twice served as the Council's national Chairman. I am also a co-founder and Tri-Chair of the National Homeland Security Consortium (NHSC), a coalition of the following national organizations and associations: National Governors Association; Adjutants General Association of the United States; American Public Works Association; Association of Public Safety Communications Officials; Association of State & Territorial Health Officials; Business Executives for National Security; Council of State Governments; Governors Homeland Security Advisors Council; International Association of Emergency Managers; International Association of Chiefs of Police; International Association of Fire Chiefs; International City/County Managers Association; Major City Chiefs Association; National Association of Counties; National Association of County & City Health Officials; National Association of State Departments of Agriculture; National Association of State Emergency Medical Services Officials; National Conference of State Legislatures; National Emergency Management Association; National League of Cities; National Sheriffs Association; Naval Postgraduate School; Urban Area Security Cities; and the U.S. Chamber of Commerce.

security activities. Governors and Adjutants General therefore have unique insights into force structure, manpower and resource requirements that would be of immeasurable benefit to Air Force officials in their preparation of Department of the Air Force budget requests.

The Committee has asked me to provide information about “budget negotiations that occurred between the Council of Governors and the Air Force; impacts associated with the proposed congressional direction included in the fiscal year 2013 National Defense Authorization Act; the Secretary of Defense’s decision to freeze all force structure movements in fiscal year 2012 and any subsequent impacts associated with this decision.” In order to understand what exchanges of information and views have *or have not* occurred between Air Force and State officials concerning Air Force year of execution (FY2012) and fiscal year 2013 budget actions, federal laws and policies requiring the exchange of such information and views must be acknowledged and understood.

Statutory Requirements

Federal law has long mandated that “no change in the branch, organization, or allotment of a [National Guard] unit located entirely within a State may be made without the approval of its governor.”³ The statute was affirmed in litigation between the State of Pennsylvania and the Air Force in Rendell v. Rumsfeld, 484 F3d 236 (2007).

Since 1956, the statutory charter of the National Guard Bureau has also clearly stated: “The National Guard Bureau is the *channel of communications* on all matters pertaining to the National Guard of the United States, the Army National Guard of the United States, and the Air National Guard of the United States between (1) the Department of the Army and the Department of the Air Force, and (2) the several States.”⁴

In 2008, Congress took additional action to direct communication and the exchange of views and information between the Departments of the Air Force and Army and the several States. Section 1822 of the FY2008 National Defense Authorization Act mandates: “The President shall establish a bipartisan Council of Governors to advise the Secretary of Defense, the Secretary of Homeland Security, and the White House Homeland Security Council on matters related to the National Guard and civil support missions.”⁵

If Congress had intended to limit Council of Governors communications to “National Guard civil support missions” it could and presumably would have said so. Instead, it created a Council of Governors to advise national security authorities “on matters related to the National Guard *and* civil support missions.”

³ 32 USC 104(c) [textual context added]

⁴ 10 USC 10501(b) (emphasis added); See also, paragraphs 4 and 5, DODD 5105-77 (21 May 2008).

⁵ 2008 NDAA, Section 1822: *Council of Governors* - H.R. 4986 (110th Congress) (signed by the President - January 28, 2008)

In December 2011, Congress also elevated the Chief of the National Guard Bureau to full membership on the Joint Chiefs of Staff. Enactment of this legislation made the Chief of the National Guard (General Craig McKinley) a military advisor “to the President, the National Security Council, the Homeland Security Council and the Secretary of Defense.”⁶ Members of the Joint Chiefs of Staff, including the Chief of the National Guard Bureau, are responsible for determining the extent to which programs and budgets conform to priorities and for submitting alternative program recommendations and budget proposals.⁷

Assuming *arguendo* that Air Force leaders didn’t anticipate the Chief of the National Guard Bureau’s addition to the Joint Chiefs of Staff as they built the Air Force FY13 budget, they were nevertheless well aware that the National Guard Bureau is the congressionally prescribed “channel of communications on all matters pertaining to the...Air National Guard of the United States... between the Department of the Air Force, and (2) the several states.”⁸

Policy requirements

President Obama implemented Congress’ call to establish the Council of Governors by issuing Presidential Executive Order 13528 (Jan. 11, 2010). His Executive Order further expanded the scope of Council of Governors functions, dialogue and interaction with the Secretary of Defense and other principal federal officials.⁹ The Executive Order begins with a clear statement of purpose (“In order to strengthen further the *partnership between the Federal Government and State governments* to protect our Nation and its people and property”) and specifies that the Council’s “views, information, or advice *shall* concern:

- (a) matters involving the National Guard of the various States;
- (b) *homeland defense*;
- (c) civil support;
- (d) *synchronization and integration of State and Federal military activities in the United States*; and
- (e) *other matters of mutual interest* pertaining to National Guard, homeland defense, and civil support activities.”¹⁰

The Executive Order provides for the President’s appointment of ten (10) Governors to serve as Council “Members”¹¹ and designates occupants of the following positions as federal participants: “the Secretary of Defense; the Secretary of Homeland Security; the Assistant to the President for Homeland Security and Counterterrorism; the Assistant to the President for Intergovernmental Affairs and Public Engagement; the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs; the

⁶10 USC 151, as amended by PL 112-81 (December 31, 2011)

⁷10 USC 153

⁸10 USC 10501(b)

⁹FY2008 NDAA, Section 1882 established the Council to “advise [designated federal officials] on matters pertaining to the National Guard and civil support missions.”

¹⁰Presidential Executive Order 13528, Preamble and Section 2 (emphasis added)

¹¹ *Id.*, Section 1(a); See Appendix A

Commander, United States Northern Command; the Chief, National Guard Bureau; the Commandant of the Coast Guard; and other appropriate officials of other executive departments or agencies as may be designated by the Secretary of Defense or the Secretary of Homeland Security.”¹²

The Executive Order further directs the Secretary of Defense to “provide the Council with information as may be necessary for the performance of the Council’s functions.”¹³

Pursuant to the federal laws and Presidential Executive Order cited above, the Council of Governors and its federal participants negotiated and adopted a *Statement of Principles* in 2010 agreeing, *inter alia*, that:

- “Federal proposals for changing federal laws, regulations or policies affecting the National Guard or military operations in support of State and local domestic civil authorities will be discussed and views and information exchanged with the Council of Governors *in advance* of formally requesting, submitting or implementing any such change.
- Federal resource allocation or reallocation proposals that would impact the National Guard or military operations in support of domestic civil authorities will be discussed and views and information exchanged with the Council of Governors *in advance* of formally requesting, submitting or implementing any such federal resource allocation or reallocation action.”¹⁴

Non-Compliance with Federal Law and Executive Order Requirements

The Air Force FY13 budget request violates the statutory prohibition against changing the organization or allotment of an Air National Guard unit located entirely within a State without the approval of the Governor.¹⁵ The FY13 budget package is replete with numerous transfers of missions of ANG single-state units to the active Air Force, transfers of missions of ANG single-state units from state to state and the outright elimination of ANG single-state units and missions, none of which were discussed with or submitted for the review and approval of the Governor of any affected state or territory.

Even after the Governors wrote to Secretary Panetta objecting to the Air Force FY13 budget request¹⁶ and the Adjutants General of all states and territories wrote to House and Senate authorization and appropriation committee members voicing similar objections,¹⁷ Air Force leaders made no effort to confer with any affected Governor or to

¹² *Id.*, Section 2

¹³ *Id.*, Section 3(d)

¹⁴ See Appendix B to this Statement for the Record; (emphasis added)

¹⁵ *Infra*, 32 USC 104(c)

¹⁶ NGA letter to Secretary Panetta, February 26, 2012 – see Appendix C

¹⁷ AGAUS letter to House and Senate Armed Services Committees, February 27, 2012 – see Appendix D

otherwise attempt compliance with 32 USC 104(c). Nor did Air Force leaders or anyone in the Department of Defense provide any information to Governors about the Air Force FY13 budget proposals prior to submitting such proposals to Congress even though such information was clearly “necessary for the performance of the Council’s functions.”¹⁸

Despite the National Guard Bureau’s role as the statutory “channel of communications” on all National Guard matters between the Department of the Air Force and the several States and territories, Air Force officials also required the Director of the Air National Guard and his subordinates to sign Non-Disclosure Agreements (NDA) as a condition- precedent to participating in Air Force FY13 budget meetings. The Chief of the National Guard Bureau was even required to sign a pledge of non-disclosure as a condition of receiving any information about the Air Force budget. These actions by Air Force leaders prohibited National Guard Bureau officials from discussing Air Force budget plans with State officials and effectively required NGB officials to swear under oath that they wouldn’t carry out their statutory “channel of communications” responsibilities.

Non-Compliance with Policy Commitments

As previously noted, Executive Order 13528 grants authority to the Secretary of Defense and the Secretary of Homeland Security to designate federal officials to participate in Council of Governors activities even though their office or position is not named in the Executive Order. Pursuant to this delegation of authority, Secretary of Homeland Security Janet Napolitano has assured the attendance and participation of FEMA Administrator Craig Fugate (an office not named in the Presidential Executive Order) in all meetings of the Council. Mr. Fugate’s participation has been extremely helpful to the Governors and all other federal and state participants.

At the March 1, 2011 meeting of the Council of Governors, the Council Co-Chairs asked Secretary Robert Gates to assure the attendance of the Secretaries and Chiefs of Staff of the Air Force and Army at all future Council meetings. In making the request, they emphasized the attendance of the Secretaries and Chiefs of Staff were essential to fulfill the federal government’s pledge to consult with the Council of Governors *in advance* on matters pertaining to the National Guard.¹⁹ Secretary Gates and Admiral Mike Mullen (Chairman, JCS) agreed to the Governors’ request during the March 1, 2011 meeting.

The first time Air Force leadership attended a Council meeting following Secretary Gates’ March 1, 2011 commitment was February 27, 2012 – *after* most of the Air Force FY13 budget details had been submitted to Congress. Even then, Secretary Donley and General Schwartz acknowledged only proposals that would transfer or re-mission Air National Guard flying units and did not share information about planned ANG personnel reductions and state-specific plans for elimination of ANG non-flying units.

¹⁸ *Infra.*, Presidential Executive Order 13528, Section 3(d)

¹⁹ *Infra.*, See Appendix A to this Statement for the Record

Notwithstanding the requirements of federal law, Presidential Executive Order 13528 and policy commitments by the Secretary of Defense and White House officials, Air Force leaders prepared their FY13 ANG budget proposals behind closed doors with no communication or consultation with the nation's Governors or Adjutants General.

Actions Leading Up to Subsequent State-Federal Meetings on the Air Force FY13 Budget

In mid-February 2012, Adjutants General and Governors began reading and hearing statements in open media sources about the Air Force FY13 budget that had not yet been submitted to Congress. Statements attributed to the Chief of Staff of the Air Force and other senior leaders inferred there would be significant force structure and manpower reductions in the Air Force FY13 budget. In at least one instance, Air Force Reserve officials announced ANG unit changes in Oklahoma that had not been briefed to the Governor or Adjutant General of Oklahoma. When State officials sought clarification from the National Guard Bureau, they were reminded that NGB officials were subject to Non-Disclosure Agreements and could not disclose information about the Air Force FY13 budget or Air National Guard portions of the budget until they had been submitted to Congress.

As Governors and Adjutants General arrived in Washington, DC on Friday, February 24, 2012 for National Governors Association (NGA) and Adjutants General Association of the U.S. (AGAUS) mid-winter meetings and for a separately scheduled Council of Governors meeting on Monday, February 27, 2012, there was a great deal of speculation about the Air Force FY13 budget proposals but no new information from any federal source. Upon arrival in Washington, DC, I was informed that Air Force leadership wanted to meet early Sunday morning, February 26, 2012, with a handful of senior Adjutants General. I was one of the Adjutants General invited by name to participate in the meeting.

Secretary Donley opened the meeting by telling us the Air Force had been working the FY13 budget for over a year and they remained actively "engaged on the Hill." Without going into detail, he generally described Air Force decisions to (1) divest Air Force airlift capacity based on projected Army end strength reductions; (2) terminate the Air Force C-27 program in its entirety, and (3) reduce the number of A-10 units and aircraft. He said there had been no effort to match or retain manpower for Air National Guard units that would lose C-27 missions and if they were back-filled by MC-12 aircraft or other weapons systems there would still be substantial manpower reductions. He also said, without elaboration, that the Air Force FY13 budget would "require rebalancing between states." He concluded his opening remarks by acknowledging that thirty-three (33) states would be affected by equipment losses and "all 54 states will be impacted by manpower losses" but shared no additional information.

General Schwartz spoke following Secretary Donley and said the Air Force had been downsized when the Cold War ended in the early 90's and it was now the Guard's "turn."

He said the Air Force budget would result in the loss of 5,900 manpower positions in the Air National Guard plus significant “movement of aircraft from state to state.” He also acknowledged that manpower reductions for the Air National Guard would be about six times the per capita reductions for the active Air Force but asserted that was because “the active Air Force is as small as we can ever possibly be.” When questioned about how manpower reductions would be carried out in the active Air Force compared to the Air National Guard, he acknowledged that active Air Force personnel reductions would take place gradually over a five (5) year period but 93% or more of all ANG personnel cuts would take place all within FY13. In response to further questions, he also acknowledged that if Congress failed to enact a FY13 defense budget and Defense Department operations were funded by a continuing resolution, all Air National Guard manpower reductions would have to be executed in the first six (6) months of FY13. When we pointed out that the budget he and Secretary Donley had described to us disregarded the significant cost efficiencies and operational experience of the Air National Guard, General Schwartz replied, that although cost efficiencies are important, other factors are even more important.

Following the meeting, my colleagues and I briefed the other Adjutants General and updated Governors who were in their own mid-winter meeting across town. Before the end of the day, we received a copy of a letter that would later be signed by forty-nine (49) Governors to Secretary Panetta opposing what the Governors described as “disproportionate” Air National Guard budget and manpower cuts. The Governors’ letter concluded by requesting that “the Department of Defense reconsider any proposed Air Guard force or equipment reductions and that you work with the governors to fashion solutions that best serve the interests of this nation.”²⁰

In addition to the Governors’ letter, on February 27, 2012, the nation’s Adjutants General sent a letter to the Chairmen and Ranking Members of the House and Senate Armed Services Committees urging Congress “to delay implementation of the AF Fiscal 13 Budget proposal until proper review by the Congress.” Our letter concluded, “A disciplined, objective, analysis-based process is needed as we make irrevocable choices about how to assure America’s security at home and abroad.”²¹

At the Council of Governors meeting at the Pentagon the afternoon of February 27, Co-Chair Governors Chris Gregoire (D-WA) and Terry Branstad (R-IA) hand-delivered the Governors’ letter²² to Secretary Panetta and asked him to enter into a dialogue with Governors to reconsider proposed Air National Guard cuts.

In the discussion that followed, Council of Governors members made it clear they felt the Army had dealt fairly and forthrightly with the States in preparation of the Army FY13 budget and told the Secretary their quarrel was strictly with the Air Force. They made specific reference to the parties’ Statement of Principles and the federal participants’

²⁰ NGA letter to Secretary Panetta, February 26, 2012; see Appendix C

²¹ AGAUS letters to the House and Senate Armed Services Committees, February 27, 2012; see Appendices D and E

²² *Infra.*, footnote 20

pledge to meet and exchange views and information with the Council before requesting, submitting or implementing actions involving allocation or reallocation of federal resources. They also criticized the Air Force use of Non-Disclosure Agreements (the Army did not require such agreements) and the resultant “closed door” manner in which the Air Force had prepared its budget.

Secretary Panetta acknowledged that time was limited, but he directed the Air Force Secretary and Chief of Staff to meet with Council of Governors’ representatives to review and reconsider the Air Force FY13 budget request.

Subsequent Council of Governors–Air Force Meetings on the Air Force FY13 Budget

Following the February 27 Council meeting, Council Co-Chair Governors Gregoire and Branstad directed Major General Tim Orr (TAG-IA) and me to prepare an alternative ANG budget concept that could be discussed with Air Force leaders as a way of initiating the requested negotiations.

Before close of business on Friday, March 1, 2012 (four days after the Council of Governors meeting), Council representatives had prepared an alternative ANG FY13 budget concept and presented it to Air Force leaders through the National Guard Bureau. It is important to note that the budget concept included several assumptions that were not ideal for states, but that had been identified by the Air Force as necessary for any alternative proposal. In addition, the timeline did not allow for review by all states – a practice the Council prefers to observe for major negotiations.

Headquarters Air Force and Air National Guard Directorate staffs worked together through the weekend to review the alternative concept package, but were unable to agree on cost criteria. Both staffs acknowledged that the package would restore or preserve ANG flying missions in up to nine (9) states and rebalance the force structure reductions of the active duty Air Force and Air National Guard from 1.2% and 5.1% to 1.9% and 1.8% respectively. As acknowledged to us in the first of four subsequent meetings, the National Guard Bureau’s analysis showed that in addition to restoring ANG force structure and manpower positions, the Council package would generate a net savings to the Air Force of approximately \$700 million compared to its FY13 budget request. The Air Force staff analysis, on the other hand, was that the Council proposal would increase net costs by approximately \$284 million.

The following provides an overview of the four meetings conducted between Council representatives and Air Force leadership:

First Meeting (March 6, 2012): The first of four meetings focused primarily on questions and responses concerning various aspects of the Council concept package and the Air Force FY13 budget proposal and its underlying planning assumptions. Air Force budget officers had assumed, for example, a steady-state requirement for overseas combat air forces (CAF) (i.e., fighter aircraft) in the post-surge FY13-17 period that

would be 42% higher than the greatest number of CAF needed in simultaneous operations in Iraq and Afghanistan and more than 68% higher than the number of CAF aircraft currently deployed overseas. No one at the meeting could explain or justify the CAF planning assumption. National Guard Bureau officials discussed ways to cover CAF overseas steady-state requirements from overseas bases and from CONUS installations through greater use of Air National Guard resources. The session concluded with an agreement to meet again three days later.

Second Meeting (March 9, 2012): Early in the second meeting, Secretary Donley and General Schwartz declared the Council's alternative proposal to be unacceptable. The discussion then shifted to a presentation of what were described as "Excursions" (i.e. variations on the Air Force and Council of Governors proposals) the Air Staff had internally developed and rejected. The "Excursions" had not been shown to NGB staff, MG Orr or me prior to the meeting and weren't presented as options for consideration. It was simply a discourse on alternatives internally considered and rejected by the Air Staff.

The meeting ended with Air Force officials asking MG Orr and me if governors would be interested in acquiring more military airlift assets. I responded by saying we didn't have speaking authority to answer their question and would need specific details to present to governors for their consideration. I pointed out, however, that the Air Force had shifted a substantial percentage of ANG airlift assets to the active Air Force in BRAC2005 and that restoration of ANG mobility air forces (MAF) would be good for domestic security and save the Air Force a great deal of money. I explained how states pay to utilize ANG unit-assigned aircraft in domestic emergencies and pointed out that the States and other federal agencies become the primary bill payers for such use rather than the Air Force as long as the assets are assigned to the Air National Guard. The meeting concluded with an agreement to meet again the following Tuesday.

Third Meeting (March 13, 2012): The third meeting focused on a new Air Force proposal to transfer twenty-four (24) C-130 aircraft to the ANG. Since the proposal had not been coordinated with the National Guard Bureau or shown to MG Orr or me before the meeting, the ensuing discussion was almost entirely between the Air Force and National Guard Bureau senior leaders. Most of the discussion focused on Air Force leadership's insistence that the National Guard Bureau pay the cost of the proposed C-130 transfer by reprogramming funds from the National Guard and Reserve Equipment Account (NGREA) and that NGB bear the principal brunt of preserving related ANG manpower. National Guard Bureau leadership explained that paying such costs out of NGREA would be contrary to the purpose of NGREA and would violate congressional intent. They also explained that NGREA is for urgent year-of-execution equipment requirements and couldn't serve as a predictable fund source for sustained weapons system costs. Although the discussion between Title 10 leaders was animated and inconclusive, they asked MG Orr and me to take the Air Force proposal to Governors and Adjutants General and let Air Force and National Guard Bureau staffs work on ways to implement it.

Fourth and Final Meeting (March 19, 2012): At the direction of the Council Co-Chairs, MG Orr and I conducted national teleconferences with Adjutants General and governors' policy advisors on Friday, March 16, and Monday, March 19, 2012. We conferred separately with the Council Co-Chairs after each of the teleconferences. After receiving guidance and direction from the Governors, we met a fourth and final time with Air Force leaders later in the day on March 19.

During the meeting, I informed Air Force leaders that TAGs and other state officials continued to oppose the disproportionate FY13 ANG force structure and budget cuts and were distrustful of the C-130 proposal. I explained that they were insistent on more evenly sharing the burden of force structure and manpower reductions. I then asked about the source(s) of the proposed C-130 transfers and was informed they were aircraft the Air Force was sending to the bone-yard. MG Orr asked about their airworthiness. No one had an answer beyond assuring us that the Air Force would find a way to address any flight safety problems. I pointed out that even if the package was acceptable to Governors there was no assurance of funding beyond a FY13 "deal" and funding could be withdrawn for the C-130s and other Guard force structure as early as the FY14 budget.

The meeting concluded with MG Orr and me explaining that the Co-Chairs had instructed us to reject the so-called "C-130" alternative, as had other Governors' advisors, and that given the additional details revealed in this meeting, we didn't see any way to generate interest in the proposal.

Post-Meeting Contacts: On Friday, March 23, 2012 Secretary Donley, General Schwartz and General McKinley placed a conference call to Governors Gregoire and Branstad. The call did not produce any results, new information or indication of what the Air Force would do next.

Receiving no further contact from any DoD representative following the late Friday phone call, Governors Gregoire and Branstad wrote Deputy Secretary of Defense Ashton Carter on March 29, 2012 asking about the timing of further DoD review of the FY13 budget.²³ Deputy Secretary Carter replied on or about April 4, 2012 saying Secretary Panetta was taking the matter under advisement.²⁴

Three weeks later, Secretary Panetta wrote letters to the Chairmen of the House and Senate Armed Services and Appropriations Committees and forwarded a copy of his congressional correspondence to Governors Gregoire and Branstad. In his letter to Congressional leaders he submitted the same Air Force C-130 proposal that had been rejected by Governors.²⁵ In his cover letters to the Council Co-Chairs, he said he had asked his team "to establish a sustained practice with the Council of Governors to

²³ Letter to Deputy Secretary Carter, March 29, 2012; see Appendix F

²⁴ Undated letters to Governors Gregoire and Branstad; see Appendix G

²⁵ Letters to Chairmen Young, Rogers and McKeon and Senate Chairmen Levin and Inouye, April 23, 2012; see Appendix H

exchange views, information, and advice” and hoped to “have such a process in place as DoD develops its plans and priorities for FY14.”²⁶

Four days later, Governors Heineman, Markell, Branstad and Gregoire wrote to the Chairmen and Ranking Members of the House and Senate Committees on Armed Services and Appropriations. Speaking on behalf of the National Governors Association and the Council of Governors, they urged that until a process of collaborative engagement with governors could be put in place, “that Congress sustain FY12 funding, manpower and aircraft levels for the ANG for FY13.”²⁷

Aside from the March 23, 2012 phone call from Secretary Donley, General Schwartz and General McKinley to Governors Gregoire and Branstad, there has been no communication or outreach of any kind by any Air Force official to Governors or their representatives since the fourth and final meeting of the parties on March 19, 2012. Despite our best efforts to work with the Air Force, after less than two hours of discussion, Governors’ requests were declared to be totally “unacceptable” and after the four meetings described above all communications with Governors and their representatives ceased despite public statements to the contrary. During this same period, the Air Force developed its FY14 budget in the same closed-door manner as the FY13 request that is now before Congress.

Impacts associated with the proposed congressional direction included in the fiscal year 2013 National Defense Authorization Act and the Secretary’s decision to freeze all force structure movements in fiscal year 2012:

House and Senate provisions sustaining FY12 funding, manpower and aircraft levels for the ANG for FY13 are essential to prevent irreversible damage to the Air National Guard. Both the House-passed FY2013 NDAA and the FY2013 NDAA reported by the Senate Armed Services Committee reject Air National Guard force structure adjustments proposed in the Air Force FY13 budget request and authorize an additional \$1.4 billion to cover the cost of deferring Air Force projected cost savings. This bipartisan congressional intervention is precisely what the nation’s Governors and other elected officials have requested in the months since all forms of communication were terminated by the Air Force.

Secretary Panetta’s June 22, 2012 commitment²⁸ to congressional leaders affirming there will be no implementation of proposed FY13 force structure changes until further action by Congress and directing the Air Force “to suspend aircraft transfers and retirements previously scheduled for implementation in FY 2012” is also a welcome strategic pause.

²⁶ Letters to Governors Gregoire and Branstad, April 23, 2014; see Appendix I. It should be noted that preparation of the FY14 Air Force budget had already been underway since January 2012 and will conclude prior to the July 15, 2012 Council of Governors meeting.

²⁷ Letters to Congressmen McKeon, Smith, Cochran, Rogers, Dicks and Young and Senators Levin, McCain and Inouye, April 27, 2012; see Appendix I

²⁸ Letters to Chairmen Young, McKeon, Inouye and Levin, June 22, 2012; see Appendix K

Most welcome of all is the Senate Armed Services Committee's proposed Commission on the Structure of the Air Force. Governors consider an independent review of Air Force organizational structure and strategic planning and budget processes essential in light of Air Force insistence on developing its FY13 and FY14 budgets behind closed doors and its pursuit of major changes in the balance and composition of its active and reserve components.

These policy issues are as or more important than any Congress has dealt with since the Air Force became a separate service. With the benefits of the Commission on the National Guard and Reserves still resonating throughout Congress and the Defense community, Governors and Adjutants General believe a Commission on the Structure of the Air Force would be of immeasurable assistance in dealing with current and future Air Force structural changes and budget proposals.

Opportunities for collaborative action:

Not all pending and unexecuted FY2010, 2011 and 2012 Air Force and Air National Guard force structure changes are or should be points of contention between the Air Force and the several States and territories. Many pending actions are supported by all interested parties. With that in mind, a process should be established to proceed with proposed FY2010, 2011, 2012 (and future FY2013 and FY2014) transactions that have the concurrence of all affected parties while Congress studies the Air Force FY2013 and FY2014 budget proposals and awaits the collective review and recommendations of the Commission on the Structure of the Air Force.

For example, I would recommend support for any as-yet-unexecuted FY2010, FY2011 or FY2012 Air National Guard force structure, mission or manpower changes that are approved by the Department of Defense, the Department of the Air Force, the National Guard Bureau and the Governor of each State affected by the proposed transaction. More specifically, I would recommend implementation of the proposed transfer of C-130s from the Tennessee Air National Guard to the Puerto Rico Air National Guard *provided* the transfer of equipment and all related arrangements are approved by the Department of Defense, the Department of the Air Force, the National Guard Bureau, Puerto Rico Governor Fortuño and Tennessee Governor Haslam. There are many other examples of uncontested Air Force and Air National Guard transactions and force structure proposals. Such matters can be coordinated with congressional staff and the concurrence of the Council of Governors and the Governors of all affected states can be documented in whatever manner is acceptable to Congress and all of the affected parties.

Conclusion

I thank the House Armed Services Subcommittee on Readiness for the opportunity to testify on behalf of the State of Washington and the Council of Governors. Governors and Adjutants General are affected daily by military operations at home and abroad. They care deeply about the future of our nation and the United States Air Force and are

committed to working with Air Force and DoD officials to preserve our nation's security throughout and beyond the 21st Century.

Appendix A



Federal Register

Vol. 75, No. 9

Thursday, January 14, 2010

Presidential Documents

Title 3—

Executive Order 13528 of January 11, 2010

The President

Establishment of the Council of Governors

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 1822 of the National Defense Authorization Act of 2008 (Public Law 110-181), and in order to strengthen further the partnership between the Federal Government and State governments to protect our Nation and its people and property, it is hereby ordered as follows:

Section 1. Council of Governors.

(a) There is established a Council of Governors (Council). The Council shall consist of 10 State Governors appointed by the President (Members), of whom no more than five shall be of the same political party. The term of service for each Member appointed to serve on the Council shall be 2 years, but a Member may be reappointed for additional terms.

(b) The President shall designate two Members, who shall not be members of the same political party, to serve as Co-Chairs of the Council.

Sec. 2. Functions. The Council shall meet at the call of the Secretary of Defense or the Co-Chairs of the Council to exchange views, information, or advice with the Secretary of Defense; the Secretary of Homeland Security; the Assistant to the President for Homeland Security and Counterterrorism; the Assistant to the President for Intergovernmental Affairs and Public Engagement; the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs; the Commander, United States Northern Command; the Chief, National Guard Bureau; the Commandant of the Coast Guard; and other appropriate officials of the Department of Homeland Security and the Department of Defense, and appropriate officials of other executive departments or agencies as may be designated by the Secretary of Defense or the Secretary of Homeland Security. Such views, information, or advice shall concern:

(a) matters involving the National Guard of the various States;

(b) homeland defense;

(c) civil support;

(d) synchronization and integration of State and Federal military activities in the United States; and

(e) other matters of mutual interest pertaining to National Guard, homeland defense, and civil support activities.

Sec. 3. Administration.

(a) The Secretary of Defense shall designate an Executive Director to coordinate the work of the Council.

(b) Members shall serve without compensation for their work on the Council. However, Members shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law.

(c) Upon the joint request of the Co-Chairs of the Council, the Secretary of Defense shall, to the extent permitted by law and subject to the availability of appropriations, provide the Council with administrative support, assignment or detail of personnel, and information as may be necessary for the performance of the Council's functions.

(d) The Council may establish subcommittees of the Council. These subcommittees shall consist exclusively of Members of the Council and any

designated employees of a Member with authority to act on the Member's behalf, as appropriate to aid the Council in carrying out its functions under this order.

(e) The Council may establish a charter that is consistent with the terms of this order to refine further its purpose, scope, and objectives and to allocate duties, as appropriate, among members.

Sec. 4. Definitions. As used in this order:

(a) the term "State" has the meaning provided in paragraph (15) of section 2 of the Homeland Security Act of 2002 (6 U.S.C. 101(15)); and

(b) the term "Governor" has the meaning provided in paragraph (5) of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122(5)).

Sec. 5. General Provisions.

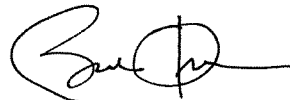
(a) Nothing in this order shall be construed to impair or otherwise affect:

(1) the authority granted by law to a department, agency, or the head thereof; or

(2) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.



THE WHITE HOUSE,
January 11, 2010.

Appendix B

STATEMENT OF PRINCIPLES

The Council of Governors and its federal participants (i.e., the Federal officials identified in Executive Order 13528 and officials of other Federal executive departments or agencies as may be designated by the Secretary of Defense or the Secretary of Homeland Security) adopt the following Statement of Principles to guide development of protocols concerning military assistance to domestic civil authorities (MSCA) in emergency response operations and other military and National Guard matters falling within the scope of Section 1822 of the National Defense Authorization Act of 2008 and the associated Executive Order issued by President Obama on January 11, 2010. The principles set forth herein form a framework for achieving desired effects concerning MSCA and other military-related issues, regardless of military service or service component.

In adopting this Statement of Principles, the Council and its federal participants agree that:

- The principles assume existing federal and state constitutions and statutes, including all express and implied emergency powers of the President and Governors and the heads of Federal departments and agencies remain in full force and effect;
- The principles are intended to be consistent with existing Presidential Directives, the National Response Framework, the National Incident Management System, the National Incident Command System and the Stafford Act, the Post-Katrina Emergency Management Reform Act, and other applicable laws and policies;
- The principles are intended to be compatible with the existing Federal process in which requests for Federal assistance are “requirements-based” and appropriate Federal authorities ultimately determine the Federal resources to be provided in support of state and local authorities;
- The principles are intended to be consistent with the Emergency Management Assistance Compact (EMAC) and other interstate mutual assistance agreements, such as the Pacific Northwest Emergency Management Accord (PNEMA), which facilitate the provision of resources, including National Guard personnel and equipment, from one or more supporting states to a supported state or states;
- Issues in all Council working groups will be actively addressed concurrent with discussions on military support to civil authorities;
- Federal proposals for changing federal laws, regulations or policies affecting the National Guard or military operations in support of State and local domestic civil authorities will be discussed and views and information exchanged with the Council of Governors *in advance* of formally requesting, submitting or implementing any such change.
- Federal resource allocation or reallocation proposals that would impact the National Guard or military operations in support of domestic civil authorities will be discussed and views and information exchanged with the Council of Governors *in advance* of formally requesting, submitting or implementing any such federal resource allocation or reallocation action. Terms such as “military force”, “military response”, “military assistance” and similar phrases in the Statement of Principles are intended to refer to domestic military activities authorized by appropriate civilian authorities as part of a broader, civilian-directed emergency response.

Consistent with the foregoing agreements, the Council and its federal partners adopt the following Statement of Principles:

- When an emergency event occurs in any area subject to the laws of any state, territory or the District of Columbia (hereinafter a "state"), the Governor of the State affected will normally be the principal supported civil authority and the Adjutant General of the state or his/her subordinate designee will be the principal supported military authority. All military authorities, regardless of service or service component, are supporting entities for purposes of operations within the area(s) governed by state civil and criminal jurisdiction;
- When an emergency event occurs in any area subject to exclusive federal jurisdiction (e.g., a military installation over which there is exclusive federal jurisdiction), the President will normally be the principal supported civil authority and the Commander of U.S. Northern Command, U.S. Pacific Command or U.S. Southern Command, as appropriate, or his/her subordinate designee will be the principal supported military authority. All military authorities, regardless of service or service component, are supporting entities for purposes of operations within the area governed by exclusive federal civil and criminal jurisdiction;
- The parties acknowledge the need to cooperatively develop protocols for determining the appropriate principal supported civil authority and the appropriate principal supported military authority for emergency events that occur in any area subject to concurrent State and Federal jurisdiction;
- Arrangements for ensuring unity of effort by military forces, should be collaboratively developed and mutually agreed to by the Council and its Federal participants to reflect and reinforce these supported and supporting relationships;
- The objective of such arrangements is to integrate military assistance into the domestic emergency response as quickly, appropriately and effectively as possible. This should be accomplished by:
 - a. Developing a pre-arranged set of emergency response protocols that will avoid waiting until an event to determine how military forces will be integrated;
 - b. Ensuring that end-state military response protocols are scalable and capable of addressing an event within a single state as well as multi-state events of regional or national magnitude;
 - c. Ensuring that end-state military response protocols address responses to all incidents, including Weapons of Mass Destruction (WMD) events as well as natural disasters;
- The Council and its Federal participants should also develop procedures for the exchange of State and Federal military capabilities information and operations plans, including likely State requests for Federal military assistance. This should include:
 - a. Collaborative development of pre-scripted State and Federal mission assignments to speed the delivery of requested military assistance;
 - b. Alignment of arrangements for integrating supported and supporting military responses through a single standardized protocol or national system designed to encompass all

State and Federal partners, as opposed to individual agreements between each State and DoD, DHS or other federal agency(ies), and tied to a national exercise program;

- c. Development of a uniform set of data (i.e. a common operating picture) to communicate the availability and capability of military units in each State and region to support domestic civil authorities if requested and as tasked by appropriate military authorities.

Appendix C



Dave Heineman
Governor of Nebraska
Chair

Jack Markell
Governor of Delaware
Vice Chair

Dan Crippen
Executive Director

February 26, 2012

The Honorable Leon Panetta
Secretary
U.S. Department of Defense
The Pentagon
Washington, D.C. 20301

Dear Secretary Panetta:

We, the nation's governors, strongly oppose the disproportionate cuts facing the Air National Guard as part of the U.S. Air Force's fiscal 2013 budget request.

Over the past decade our National Guard has evolved into a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air Guard provides 35 percent of the U.S. Air Force's capability for six percent of the budget. It performs a variety of domestic missions, including transporting vital personnel, equipment and supplies during emergencies and assisting in daily drug interdiction operations.

As Commanders-in-Chief, we appreciate the need to reorganize, restructure and modernize the military to meet new threats and economic realities. We also understand the need for cost-effective means to achieve these goals. Given these realities, we must oppose the proposal that the Air National Guard absorb 59 percent of the total aircraft budget reductions and approximately six times the per capita personnel reductions.

Governors are extremely proud of the role that the National Guard plays in protecting this nation and its citizens. The National Guard is a highly experienced and capable force and an essential state partner in responding to domestic disasters and emergencies. We respectfully request that the Department of Defense reconsider any proposed Air Guard force or equipment reductions and that you work with governors to fashion solutions that best serve the interests of this nation.

Sincerely,

Dave Heineman Jack Markell

Edmund Brown of Fair Haven, Vt.

Samuel Herbert Mc Beebe

John Robert Bentley

Mary Fallon Robert Ladd

John H. Loring Sam S. S. S. S.

Samuel R. Loring C. I. Clifton

John Malley Mark Dayton

Blaine Smith Jack Daly

Jim Hagan Jim Fazio

Earl Ray Tomlin

James H. Brown Chris Greig

McDaniel J. Tony Brant

Adams Tom Platt

Donni Daugard ~~John Kelly~~

Fat Quinn Judge

Neil Abernethy Ben Palmer

J. Ray Adams

St. John Martin

Paul Snyder David Smith

Dee J. Hunt Notron Deal

W. J. Ben S. ...

John ... Burr Harbor

Phil Bryant John ...

Sean ...

Appendix D



February 27, 2012

The Honorable Howard P. "Buck" McKeon
Chairman
House Committee on Armed Services
2120 Rayburn House Office Building
Washington, DC 20510

The Honorable Adam Smith
Ranking Member
House Committee on Armed Services
2120 Rayburn House Office Building
Washington, DC 20510

Dear Chairman McKeon and Ranking Member Smith:

We, the undersigned Adjutants General, applaud and strongly support the National Military Strategy recently announced by President Obama and Secretary of Defense Panetta. Our support for the Strategy is one of many reasons we write to express deep concerns with the Air Force's fiscal 2013 budget request.

Although we have been excluded from the Air Force budget process, Air Force Secretary Michael Donley and Air Force Chief of Staff Norton Schwartz asked eight (8) Adjutants General to meet with them yesterday morning (Sunday, February 26, 2012). The dialogue was respectful, comprehensive and candid. At the end of the meeting, our colleagues reaffirmed our concerns with the flawed processes, assumptions and criteria that produced the Air Force budget request. The undersigned therefore request your support for an immediate comprehensive and inclusive review of the Air Force submission. Implementation of the Air Force 2013 budget request should be frozen pending the results of an open and transparent review process.

It is counterintuitive that the Air National Guard, which comprises 21% of the uniformed members of the Total Air Force, would bear 59% of the total aircraft cuts and approximately six times the per capita personnel cuts, especially in light of our country's current and foreseeable fiscal posture. The Air National Guard has the highest experience levels in the total force, the lowest base operating expenses and by far the lowest life cycle costs (including lower retirement and medical costs). The Guard is the only military component that can serve the President and our Governors and the only component underwritten by shared state-federal cost arrangements.

America's air power is ultimately derived not from a stealth fighter but from the Airmen who serve. To program 93% of Air National Guard personnel cuts in the first year of the budget is a breach of faith with our members and fails to preserve the significant investment in combat experience that will be

discarded. Secretary Donley and General Schwartz acknowledged our concerns, but didn't reveal any concrete programs that would ameliorate the impact on our airmen.

We recognize that our nation is at a critical juncture. Although national security threats at home and abroad have not diminished, fiscal constraints are forcing decreases in Defense spending. The Department of Defense has been tasked with cutting at least \$487 billion in defense spending over the next 10 years and the Air Force has been called upon to reduce its individual service expenditures. We understand tough choices about military force structure must be made to secure our nation's future.

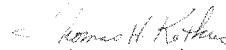
We ask you in your constitutional role to prevent Air National Guard cuts until the assumptions and analysis alluded to by Air Force officials are reviewed and confirmed. The analysis should include the results of Congressionally-directed studies currently underway that specifically focus on the proper force structure mix. We have asked the Air Force for more than three years to provide us a comprehensive long range plan for the Total Air Force and have not yet received a response. Our colleagues repeated the request in yesterday's meeting. Absent such a plan, it is reasonable to assume we will be in a continuous cycle of budget cuts that eliminate aircraft and personnel assigned to the Air National Guard by the Air Force.

We fully understand our country's financial challenges and pledge to work with you to find affordable and sustainable solutions that protect our national security. With all due respect, the Air Force budget submission fails to meet this test. We urge you to delay implementation of the AF Fiscal 13 Budget proposal until proper review by the Congress. A disciplined, objective, analysis-based process is needed as we make irrevocable choices about how to assure America's security at home and abroad.

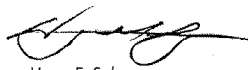
Sincerely,
The Adjutants General



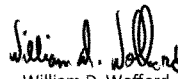
Perry Smith
Alabama




Thomas H. Katkus
Alaska



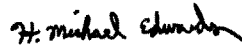
Hugo E. Salazar
Arizona



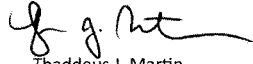
William D. Wofford
Arkansas

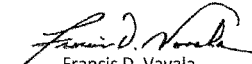


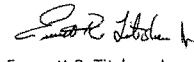
David S. Baldwin
California

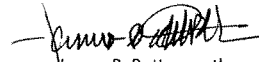


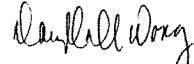
H. Michael Edwards
Colorado

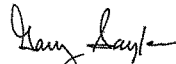

Thaddeus J. Martin
Connecticut

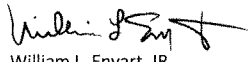

Francis D. Vavala
Delaware

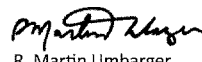

Emmett R. Titshaw Jr.
Florida



James B. Butterworth
Georgia



Darryll D.M. Wong
Hawaii



Gary L. Saylor
Idaho

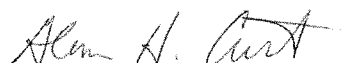

William L. Enyart, JR
Illinois

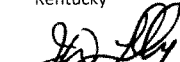

R. Martin Umbarger
Indiana


Timothy E. Orr
Iowa


Lee E. Tafaneli
Kansas

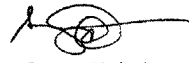

Edward W. Tonini
Kentucky



Glen H. Curtis
Louisiana



John W. Libby
Maine


James A. Adkins
Maryland

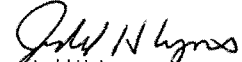

Joseph C. Carter
Massachusetts



Gregory Vadnais
Michigan



Richard C. Nash
Minnesota



Augustus L. Collins
Mississippi

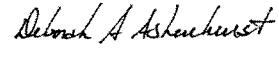

Stephen L. Danner
Missouri

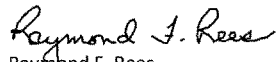

Judd H. Lyons
Nebraska

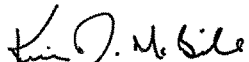

William N. Reddel
New Hampshire

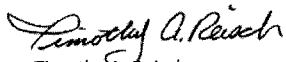

Kenny C. Montoya
New Mexico

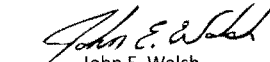

Gregory A. Lusk
North Carolina

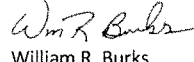

Deborah A. Ashenhurst
Ohio



Raymond F. Rees
Oregon



Kevin R. McBride
Rhode Island



Timothy A. Reisch
South Dakota



John E. Walsh
Montana



William R. Burks
Nevada

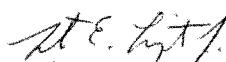

Michael L. Cuniff
New Jersey


Patrick A. Murphy
New York

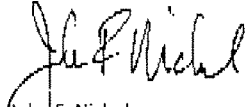

David A. Sprynczynatyk
North Dakota


Myles L. Deering
Oklahoma

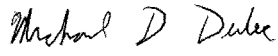

Wesley E. Craig
Pennsylvania


Robert E. Livingston, Jr
South Carolina

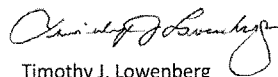

Terry M. Haston
Tennessee



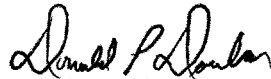
John F. Nichols
Texas




Michael D. Dubie
Vermont



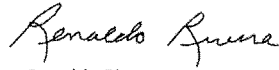
Timothy J. Lowenberg
Washington



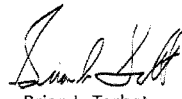
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Wisconsin



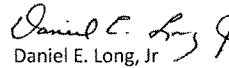
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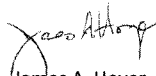
Renaldo Rivera
Virgin Islands



Brian L. Tarbet
Utah



Daniel E. Long, Jr
Virginia



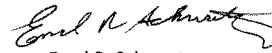
James A. Hoyer
West Virginia



K. Luke Reiner
Wyoming



Antonia J. Vicens-Gonzalez
Puerto Rico



Errol R. Schwartz
District of Columbia

Appendix E



February 27, 2012

The Honorable Carl Levin
Chairman
Senate Armed Services Committee
United States Senate, SR-228
Washington, DC 20510

The Honorable John McCain
Ranking Member
Senate Armed Services Committee
United States Senate, SR-228
Washington, DC 20510

Dear Chairman Levin and Ranking Member McCain:

We, the undersigned Adjutants General, applaud and strongly support the National Military Strategy recently announced by President Obama and Secretary of Defense Panetta. Our support for the Strategy is one of many reasons we write to express deep concerns with the Air Force's fiscal 2013 budget request.

Although we have been excluded from the Air Force budget process, Air Force Secretary Michael Donley and Air Force Chief of Staff Norton Schwartz asked eight (8) Adjutants General to meet with them yesterday morning (Sunday, February 26, 2012). The dialogue was respectful, comprehensive and candid. At the end of the meeting, our colleagues reaffirmed our concerns with the flawed processes, assumptions and criteria that produced the Air Force budget request. The undersigned therefore request your support for an immediate comprehensive and inclusive review of the Air Force submission. Implementation of the Air Force 2013 budget request should be frozen pending the results of an open and transparent review process.

It is counterintuitive that the Air National Guard, which comprises 21% of the uniformed members of the Total Air Force, would bear 59% of the total aircraft cuts and approximately six times the per capita personnel cuts, especially in light of our country's current and foreseeable fiscal posture. The Air National Guard has the highest experience levels in the total force, the lowest base operating expenses and by far the lowest life cycle costs (including lower retirement and medical costs). The Guard is the only military component that can serve the President and our Governors and the only component underwritten by shared state-federal cost arrangements.

America's air power is ultimately derived not from a stealth fighter but from the Airmen who serve. To program 93% of Air National Guard personnel cuts in the first year of the budget is a breach of faith with our members and fails to preserve the significant investment in combat experience that will be

discarded. Secretary Donley and General Schwartz acknowledged our concerns, but didn't reveal any concrete programs that would ameliorate the impact on our airmen.

We recognize that our nation is at a critical juncture. Although national security threats at home and abroad have not diminished, fiscal constraints are forcing decreases in Defense spending. The Department of Defense has been tasked with cutting at least \$487 billion in defense spending over the next 10 years and the Air Force has been called upon to reduce its individual service expenditures. We understand tough choices about military force structure must be made to secure our nation's future.

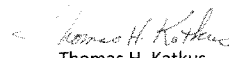
We ask you in your constitutional role to prevent Air National Guard cuts until the assumptions and analysis alluded to by Air Force officials are reviewed and confirmed. The analysis should include the results of Congressionally-directed studies currently underway that specifically focus on the proper force structure mix. We have asked the Air Force for more than three years to provide us a comprehensive long range plan for the Total Air Force and have not yet received a response. Our colleagues repeated the request in yesterday's meeting. Absent such a plan, it is reasonable to assume we will be in a continuous cycle of budget cuts that eliminate aircraft and personnel assigned to the Air National Guard by the Air Force.

We fully understand our country's financial challenges and pledge to work with you to find affordable and sustainable solutions that protect our national security. With all due respect, the Air Force budget submission fails to meet this test. We urge you to delay implementation of the AF Fiscal 13 Budget proposal until proper review by the Congress. A disciplined, objective, analysis-based process is needed as we make irrevocable choices about how to assure America's security at home and abroad.


Sincerely,
The Adjutants General



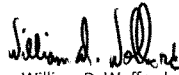
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Alabama



Thomas H. Katkus
Alaska



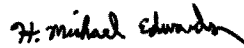
Hugo E. Salazar
Arizona



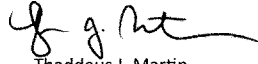
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Arkansas

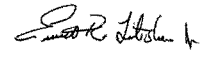



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California

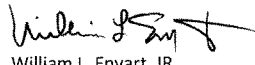


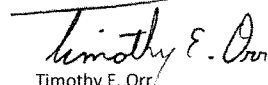
H. Michael Edwards
Colorado



Thaddeus J. Martin
Connecticut

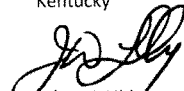

Emmett R. Titshaw Jr.
Florida


Darryll D.M. Wong
Hawaii

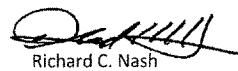

William L. Enyart, JR
Illinois

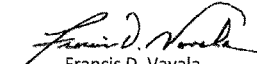

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Iowa

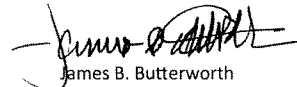

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Kentucky

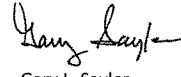

John W. Libby
Maine

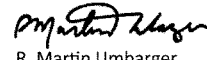

Joseph C. Carter
Massachusetts



Richard C. Nash
Minnesota

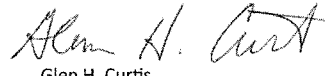

Francis D. Vavala
Delaware


James B. Butterworth
Georgia

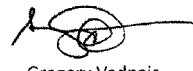

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Idaho

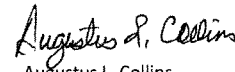

R. Martin Umbarger
Indiana


Lee E. Tafaneli
Kansas

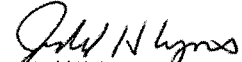

Glen H. Curtis
Louisiana



James A. Adkins
Maryland



Gregory Vadnais
Michigan



Augustus L. Collins
Mississippi

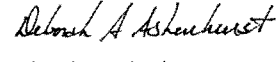

Stephen L. Danner
Missouri

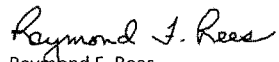

Judd H. Lyons
Nebraska



William N. Reddel
New Hampshire

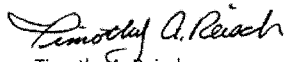

Kenny C. Montoya
New Mexico

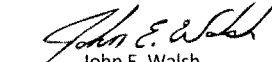

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North Carolina

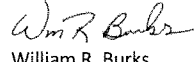

Deborah A. Ashenurst
Ohio



Raymond F. Rees
Oregon



Kevin R. McBride
Rhode Island



Timothy A. Reisch
South Dakota



John E. Walsh
Montana



William R. Burks
Nevada

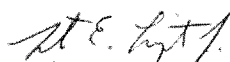

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Patrick A. Murphy
New York

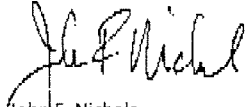

David A. Sprynczynatyk
North Dakota


Myles L. Deering
Oklahoma

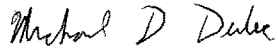

Wesley E. Craig
Pennsylvania


Robert E. Livingston, Jr
South Carolina

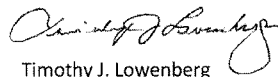

Terry M. Haston
Tennessee



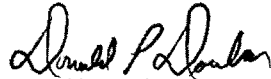
John F. Nichols
Texas




Michael D. Dubie
Vermont



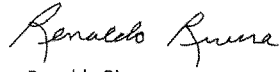
Timothy J. Lowenberg
Washington



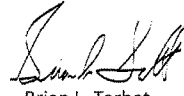
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Wisconsin



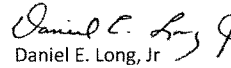
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Guam



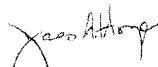
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Virgin Islands



Brian L. Tarbet
Utah



Daniel E. Long, Jr
Virginia



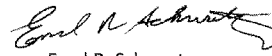
James A. Hoyer
West Virginia



K. Luke Reiner
Wyoming



Antonio J. Vicens-Gonzalez
Puerto Rico



Errol R. Schwartz
District of Columbia

Appendix F



Washington



Iowa

March 29, 2012

The Honorable Ashton Carter
Deputy Secretary of Defense
The Pentagon
Washington, DC 20318

Dear Secretary Carter:

Thank you for your efforts to review the U.S. Air Force's budget proposal for Fiscal Year 2013 and its disproportionate impact on the Air National Guard (ANG). We recognize and appreciate the need to reduce costs while providing for a strong national defense and pledge to work with you to resolve our concerns and develop a more collaborative process for future year defense decisions.

As we expressed to the leadership of the U.S. Air Force, governors have significant concerns with the budget proposal for Fiscal Year 2013 due to its disproportionate impact on ANG manpower as well as fighter aircraft and airlift capabilities. Through our Adjutants General, we proposed a comprehensive alternative that would ensure a more appropriate and flexible approach to reductions in the active forces and the ANG and preserve the necessary personnel and aircraft needed by federal authorities to prosecute military actions overseas and by state and federal officials to protect lives and property in our states and territories.

We look forward to a dialog with you about ways to maintain the ANG's important national defense and domestic emergency response capabilities while also meeting the Defense Department's overall goals for the Fiscal Year 2013 budget of implementing the new military strategy and reducing costs. We have worked together to achieve what many considered an unattainable objective - comprehensive and sustainable agreement on how to achieve unity of effort in military support for civil authorities. We're equally committed to working with you to ensure a collaborative process for future budget and policy proposals affecting our nation's National Guard.

Given the urgency of this issue, please let us know the timing of your review and when we will have an opportunity to discuss your recommendations.

Again, thank you for your efforts to address this critical issue.

Sincerely,

Handwritten signature of Christine O. Gregoire.

Governor Christine O. Gregoire
Co-Chair
Council of Governors

Handwritten signature of Terry Branstad.

Governor Terry Branstad
Co-Chair
Council of Governors

Appendix G



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

The Honorable Christine O. Gregoire
Co-Chair
Council of Governors
416 Sid Snyder Avenue, SW
Suite 200, P. O. Box 40002
Olympia, WA 98504

Dear Governor Gregorie:

Thank you for your March 29th letter. At present, Secretary Panetta is taking the time to better understand the Council of Governors' proposal, the U.S. Air Force's counter-proposal, and is considering the views and advice of military leaders including the Air National Guard (ANG), members of Congress, as well as governors. He takes your concerns with the budget proposal for Fiscal Year 2013 very seriously.

The Department of Defense (DoD) understands the vital role the ANG plays in support to our Title 10 missions, and in support to Governors and other civil authorities in disaster assistance and homeland security. For that reason, Secretary Panetta and I are grateful for the dedicated men and women who serve in the ANG.

Again, thank you for your strong support of the ANG and our nation's defense. A similar letter has been sent to Governor Branstad.

Sincerely,

A handwritten signature in cursive script that reads "Curtis S. Carter".

*Thank for your work on this
important subject!*



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

The Honorable Terry Branstad
Co-Chair
Council of Governors
State Capitol
1007 East Grand Avenue
Des Moines, IA 50319

Dear Governor Branstad:

Thank you for your March 29th letter. At present, Secretary Panetta is taking the time to better understand the Council of Governors' proposal, the U.S. Air Force's counter-proposal, and is considering the views and advice of military leaders including the Air National Guard (ANG), members of Congress, as well as governors. He takes your concerns with the budget proposal for Fiscal Year 2013 very seriously.

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Again, thank you for your strong support of the ANG and our nation's defense. A similar letter has been sent to Governor Gregoire.

Sincerely,

A handwritten signature in cursive script, reading "Carlisle S. Carter".

A handwritten note in cursive script, reading "Thanks for your work on this important subject!".

Appendix H



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Howard P. "Buck" McKeon
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

As you undoubtedly appreciate, my first responsibility is to ensure that we have a military force structure that is ready and capable to defend the nation. In light of the changing global security environment and fiscal realities, the Department undertook a comprehensive reassessment of our defense strategy, which President Obama announced in January 2012. Based on that strategy, the Air Force analyzed the proper mix of capabilities to ensure we can achieve our defense objectives on a day-to-day basis and surge air power in the event of a national crisis. This force structure also had to be cost-effective so that the Department could achieve savings of \$487 billion over 10 years as necessitated by the Budget Control Act.

After further review, the Air Force has determined that we can mitigate impacts to affected states with a \$400 million package that would maintain an additional 24 C-130 aircraft in the Air National Guard. We recognize the important role that these lift aircraft play in our support to civil authorities and to states – particularly in the event of natural disasters.

I strongly urge you to consider this proposal, which we believe sustains our national defense requirements and is responsive to concerns raised by the Council of Governors.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I will also be reaching out to the Council of Governors to establish a sustained process to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council and the Department has achieved to strengthen unity of effort between the states and the DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I would expect to have such a process in place before the President's FY14 budget is submitted early next year.

Sincerely,

cc:
The Honorable Adam Smith
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Harold Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Sincerely,

cc:
The Honorable Norman D. Dicks
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable C. W. Bill Young
Chairman
Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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Sincerely,

cc:
The Honorable Norman D. Dicks
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Carl Levin
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

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Sincerely,

cc:
The Honorable John McCain
Ranking Member
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

In February, I asked Air Force leadership to work with the Council of Governors on various options regarding Air National Guard force structure in light of feedback we received about our FY13-17 budget.

As you undoubtedly appreciate, my first responsibility is to ensure that we have a military force structure that is ready and capable to defend the nation. In light of the changing global security environment and fiscal realities, the Department undertook a comprehensive reassessment of our defense strategy, which President Obama announced in January 2012. Based on that strategy, the Air Force analyzed the proper mix of capabilities to ensure we can achieve our defense objectives on a day-to-day basis and surge air power in the event of a national crisis. This force structure also had to be cost-effective so that the Department could achieve savings of \$487 billion over 10 years as necessitated by the Budget Control Act.

After further review, the Air Force has determined that we can mitigate impacts to affected states with a \$400 million package that would maintain an additional 24 C-130 aircraft in the Air National Guard. We recognize the important role that these lift aircraft play in our support to civil authorities and to states – particularly in the event of natural disasters.

I strongly urge you to consider this proposal, which we believe sustains our national defense requirements and is responsive to concerns raised by the Council of Governors.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I will also be reaching out to the Council of Governors to establish a sustained process to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council and the Department has achieved to strengthen unity of effort between the states and the DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I would expect to have such a process in place before the President's FY14 budget is submitted early next year.

Sincerely,

cc:
The Honorable Tad Cochran
Vice Chairman
Iowa Governor Terry Branstad
Washington Governor Christine Gregoire
Chief, NGB, General Craig R. McKinley

Appendix I



SECRETARY OF DEFENSE
1 000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Christine Gregoire
Governor of Washington
Olympia, WA 98504-0002

Dear Governor Gregoire:

In February, I asked Air Force leadership to work with you on various options regarding Air National Guard force structure in light of feedback we received from you and others about our FY13-17 budget.

In light of the approaching authorization committee markups on the Hill, I have provided our current assessment to committee leaders in the enclosed letter.

The Department's senior leadership and I have appreciated the opportunity to engage with you over the last several months on your perspectives and feedback on our FY13-17 budget, and we look forward to continuing to do so regarding defense support to civil authorities.

Recognizing the lead responsibilities of governors for the public safety of their citizens in disasters and emergencies, I have also asked my team to establish a sustained process with the Council of Governors to exchange views, information, and advice on state civil support requirements. Given the notable success that the Council has achieved to strengthen unity of effort between the states and DoD, I am confident that we can make similar progress to clarify and appropriately account for civil support requirements in the future. I look forward to working with you to have such a process in place as DoD develops its plans and priorities for FY14.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Stockton", with a long horizontal flourish extending to the right.

cc:
Secretary of the Air Force
Chief, NGB, General Craig R. McKinley
Assistant Secretary of Defense Paul Stockton



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

APR 23 2012

The Honorable Terry Branstad
Governor of Iowa
Des Moines, IA 50319

Dear Governor Branstad:

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In light of the approaching authorization committee markups on the Hill, I have provided our current assessment to committee leaders in the enclosed letter.

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Sincerely,

A handwritten signature in black ink, appearing to be the name of the Secretary of Defense, with a long horizontal line extending to the right.

cc:
Secretary of the Air Force
Chief, NGB, General Craig R. McKinley
Assistant Secretary of Defense Paul Stockton

Appendix J



Dave Heineman
Governor of Nebraska
Chair

Jack Markell
Governor of Delaware
Vice Chair

Dan Crippen
Executive Director

April 27, 2012

The Honorable Carl Levin
Chairman
Committee on Armed Services
U.S. Senate
Washington, D.C. 20510

The Honorable John McCain
Ranking Member
Committee on Armed Services
U.S. Senate
Washington, D.C. 20510

The Honorable Howard "Buck" McKeon
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Adam Smith
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Levin, Senator McCain, Chairman McKeon and Representative Smith :

As commanders-in chief, governors take very seriously the duties and responsibilities placed on the men and women of the National Guard. The Guard is a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air National Guard (ANG) provides 35 percent of the U.S. Air Force's capability for 6 percent of the budget. Disproportionate cuts to the ANG that also diminish its capacity to fulfill dual missions at home and abroad are simply not acceptable.

Governors, through our Adjutants General and the Council of Governors (CoG), have worked diligently with the Air Force and the U.S. Department of Defense to rectify the surprising and disproportionate cuts facing the ANG as part of the U.S. Air Force's Fiscal Year (FY) 2013 budget request. Unfortunately those negotiations have not produced an agreement; it is therefore critical that Congress address the deficiencies in the Air Force's budget request.

When the CoG discussed the Air Force's budget proposal with Defense Secretary Leon Panetta on February 27, they were pleased that he agreed to work with governors to address our concerns. Following that meeting, several Adjutants General engaged with the Air Force to develop a plan that would mitigate the most harmful impacts of the Air Force's budget and ensure that each state would maintain the necessary personnel and aircraft to fulfill the ANG's mission at home and abroad. Unfortunately, the Air Force was not willing to move much beyond their budget proposal. They never fully responded to states' concerns about manpower reductions and refused to make any adjustments to their transfer of fighter aircraft units from the ANG to the active service.

The proposal outlined by Secretary Panetta this week is essentially the same as an Air Force proposal rejected by governors more than five weeks ago. While we greatly appreciate the willingness of the Secretary to

Page 2

adjust the Air Force's budget request to restore some organic ANG airlift capacity, the package still fails to address state concerns regarding remaining ANG manpower cuts and fighter aircraft and other ANG unit reductions.

Secretary Panetta has offered to work with governors and establish procedures that engage states early in the budget process and determine state civil support requirements for FY2014 and beyond. This is a critical step forward for incorporating the domestic duties and operational capabilities of the ANG into the overall budget of the Air Force. Until that process can be put in place, however, we request that Congress sustain FY12 funding, manpower and aircraft levels for the ANG for FY13.

We look forward to working with you to support a proposal that honors the enhanced role the ANG plays in our national security today and in the future.

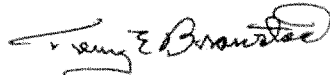
Sincerely,



Governor Dave Heineman
Chair



Governor Jack Markell
Vice Chair



Governor Terry E. Branstad
Co-Chair
Council of Governors



Governor Christine O. Gregoire
Co-Chair
Council of Governors



Dave Heineman
Governor of Nebraska
Chair

Jack Markell
Governor of Delaware
Vice Chair

Dan Crippen
Executive Director

April 27, 2012

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
Subcommittee on Defense
U.S. Senate
Washington, D.C. 20510

The Honorable William "Thad" Cochran
Ranking Member
Committee on Appropriations
Subcommittee on Defense
U.S. Senate
Washington, D.C. 20510

Dear Chairman Inouye and Senator Cochran :

As commanders-in chief, governors take very seriously the duties and responsibilities placed on the men and women of the National Guard. The Guard is a cost-effective operational force that is critical to our national security and our ability to respond to domestic emergencies. The Air National Guard (ANG) provides 35 percent of the U.S. Air Force's capability for 6 percent of the budget. Disproportionate cuts to the ANG that also diminish its capacity to fulfill dual missions at home and abroad are simply not acceptable.

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We look forward to working with you to support a proposal that honors the enhanced role the ANG plays in our national security today and in the future.

Sincerely,



Governor Dave Heineman
Chair



Governor Jack Markell
Vice Chair



Governor Terry E. Branstad
Co-Chair
Council of Governors



Governor Christine O. Gregoire
Co-Chair
Council of Governors



Dave Heineman
Governor of Nebraska
Chair

Jack Markell
Governor of Delaware
Vice Chair

Den Crippen
Executive Director

April 27, 2012

The Honorable Hal Rogers
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Norm Dicks
Ranking Member
Committee on Appropriations and
Subcommittee on Defense
U.S. House of Representatives
Washington, D.C. 20515

The Honorable C.W. "Bill" Young
Chairman
Committee on Appropriations
Subcommittee on Defense
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Rogers, Representative Dicks and Chairman Young:

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Sincerely,



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Chair



Governor Jack Markell
Vice Chair



Governor Terry E. Branstad
Co-Chair
Council of Governors



Governor Christine O. Gregoire
Co-Chair
Council of Governors

Appendix K



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUN 22 2012

The Honorable Daniel K. Inouye
Chairman
Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your June 14, 2012, letter regarding force structure changes in the Air Force. I received a similar letter on June 8 from Senator Levin strongly discouraging force structure changes by the Air Force that would pre-judge the outcome of congressional deliberations on the FY 2013 President's Budget (PB).

Both the House-passed FY 2013 National Defense Authorization Act (NDAA) and the FY 2013 NDAA reported by the Senate Armed Services Committee (SASC) would reject or defer Air Force force structure adjustments and related savings proposed in FY 2013 and would authorize an additional \$1.4 billion to cover this cost. Secretary Donley committed to waiting for congressional deliberations before implementing the proposed FY 2013 force structure changes in congressional testimony earlier this year and has assured me the Air Force stands by that commitment.

In addition, however, the SASC report language strongly urged the Air Force to suspend all force structure adjustments until October 1, 2013, to provide the Committee an opportunity to review recommendations from their proposed Commission on the Structure of the Air Force. The FY 2013 SASC bill would also prohibit any expenditure of funds after October 1, 2012, to effect force structure changes, potentially including those in approved budgets from previous years. This provision has introduced a new dimension of complexity to the current situation, as it impacts force structure adjustments addressed in budgets from FY 2010, FY 2011, and FY 2012 involving the transfer of approximately 150 aircraft among various locations and the retirement of 98 aircraft, that are scheduled to transfer or retire in the FY 2012 and FY 2013 timeframe.

The FY 2013 PB builds upon the force structure changes included in previous budget years. The Department supports both the earlier force structure changes and the force structure changes proposed by the Air Force in the FY 2013 PB. The difficult choices made in the FY 2013 PB, reviewed by the Office of the Secretary of Defense and the Joint Chiefs of Staff, were consistent with strategic guidance and will provide balanced force capabilities and sustainable deployment cycles for the total Air Force -- Active, Guard, and Reserve. We also believe authorization is in place that would support continuation of force structure adjustments included in the budgets for FY 2010 through FY 2012. However, the FY 2013 NDAA language now under consideration introduces the possibility that these transfers and retirements may be revisited by Congress or may lack the FY 2013 funding necessary to proceed. While the Air Force could proceed with these previously addressed moves, the more prudent course of action is to take a cautious approach.

Therefore, I have directed the Air Force to suspend aircraft transfers and retirements previously scheduled for implementation in FY 2012 with the expectation that Congress completes action on the FY 2013 defense authorization and appropriation bills prior to the end of the fiscal year, providing clear support for a way forward.

We need to be mindful of the potential operational and cost impacts that could emerge from such delay. Further, we must recognize that the lingering uncertainty has direct effects on airmen and their families. I have asked Secretary Donley to work with your staffs to identify those transfers and retirements where Congress and the Air Force, including the Air National Guard and Air Force Reserve, agree that previously addressed force structure changes should move forward and also provide you with cost estimates for the force structure and aircraft whose transfer or retirement are being delayed.

I would also caution that delaying FY 2013 force structure decisions and potentially revisiting decisions from earlier budget cycles will only make our FY 2014 deliberations even more complex and difficult. These delays impact our military capability and introduce uncertainty in future missions and training schedules for the effected units; and they will also delay the Department's ability to reach the level of budget reductions mandated in the 2011 Budget Control Act.

Thank you again for your strong support of this Department and our men and women in uniform. I look forward to working closely with you as we move toward completion of the legislative cycle later this year. A similar letter has been sent to Senator Levin and the Chairmen and Ranking Members of the House and Senate defense committees.

Sincerely,



cc:
The Honorable Thad Cochran
Vice Chairman



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUN 22 2012

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Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

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Sincerely,



cc:
The Honorable John McCain
Ranking Member



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUN 22 2012

The Honorable C. W. Bill Young
Chairman
Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

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Sincerely,



cc:
The Honorable Norman D. Dicks
Ranking Member



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUN 22 2012

The Honorable Howard P. "Buck" McKeon
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

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Sincerely,



cc:
The Honorable Adam Smith
Ranking Member

MAJOR GENERAL TIMOTHY J. LOWENBERG

The Adjutant General, Washington



Major General Timothy J. Lowenberg was appointed Adjutant General of the State of Washington on 13 September 1999. As the Adjutant General, he is commander of all Washington Army and Air National Guard forces and Director of the State's Emergency Management and Enhanced 911 programs. General Lowenberg also serves as Homeland Security Advisor to the Governor of Washington and as State Administrative Agent for all United States Department of Homeland Security grants awarded to Washington's state, local, tribal and non-profit agencies and organizations. In addition, he serves as Chair of Homeland Defense and Homeland Security of the Adjutants General Association of the United States; immediate past national chairman and a continuing member of the Executive Committee of the Governors Homeland Security Council, chairman of the National Guard Bureau Security Cooperation Activities General

Officer Advisory Council (NGB SCA-GOAC), chairman of the National Guard Bureau Chemical, Biological, Radiological and Nuclear (CBRN) General Officer Advisory Council (NGB CBRN-GOAC), senior member of the NGB Counter Drug Enterprise General Officer Advisory Council (NGB CD GOAC); and Chair of the Governor's Domestic Security Sub-Cabinet. He has also served as Chair of the Governor's 2010 Winter Olympics Task Force Security Committee and founding Tri-Chair of the National Homeland Security Consortium - a coalition of more than two-dozen public and private sector national associations.

General Lowenberg is a distinguished graduate of the Air Force Reserve Officer Training Corps. He was commissioned in 1968 concurrent with receipt of a Bachelor of Arts degree in Political Science from the University of Iowa. He earned a Doctor of Jurisprudence degree from the University of Iowa, College of Law in 1971 and has served as Adjunct Professor of Law at the University of Puget Sound School of Law and Seattle University School of Law since 1973 and as a guest lecturer in other Seattle University programs.

In his previous assignment as Air National Guard Assistant to The Judge Advocate General of the Air Force, General Lowenberg oversaw the formulation, development, and coordination of legal policies, plans and programs affecting more than 114,000 Air Guard members in more than 1,100 units throughout all 54 States and Territories. In addition, he coordinated the accession, training, and deployment of all Air Guard judge advocates and paralegals and was responsible for developing and executing the worldwide civil affairs mission of the United States Air Force.

EDUCATION:

- 1968 University of Iowa, Bachelor of Arts Political Science, Iowa City, Iowa
- 1971 University of Iowa College of Law, Doctor of Jurisprudence, Iowa City, Iowa
- 1985 Syracuse University, National Security Management Course, by Correspondence and Seminar
- 2000 Harvard University John F. Kennedy School of Government, in resident Executive Program in National and International Security, Cambridge, Massachusetts
- 2007 Naval Postgraduate School, in resident Homeland Security Executive Leadership Program, Center for Homeland Defense and Security, Monterey, California
- 2011 Harvard University John F. Kennedy School of Government and National Defense University Strategic Studies, in resident U.S. – South Asia Leadership Engagement Program, Cambridge, Massachusetts and Washington, DC

ASSIGNMENTS:

1. June 1968 - October 1971, Student, Graduate Studies (Educational Delay), University of Iowa College of Law Program, Iowa City, Iowa
2. October 1971 - March 1972, Assistant Chief, Personal Affairs, 62nd Air Base Group, McCord Air Force Base, Washington
3. March 1972 - July 1972, Chief, Personal Affairs, 62nd Air Base Group, McCord Air Force Base, Washington
4. July 1972 - January 1975, Assistant Staff Judge Advocate, 62nd Air Base Group, McCord Air Force Base, Washington
5. January 1975 - July 1976, Deputy Staff Judge Advocate, 62nd Air Base Group, McCord Air Force Base, Washington
6. July 1976 - May 1978, Legal Officer, 1905th Air Reserve Squadron, Headquarters, Air Reserve Personnel Center, Denver, Colorado
7. May 1978 - May 1989, Judge Advocate Staff Officer, Headquarters, Washington Air National Guard, Camp Murray, Washington
8. May 1989 - September 1993, Assistant Adjutant General- Air, Headquarters, Washington Air National Guard, Camp Murray, Washington
9. September 1993 - September 1999, Air National Guard Assistant to the Judge Advocate General of the Air Force, Pentagon, Washington, District of Columbia
10. September 1999 - Present, The Adjutant General, Washington, Washington Military Department, Camp Murray, Washington

MAJOR AWARDS AND DECORATIONS:

Air Force Defense Distinguished Service Medal
 Legion of Merit
 Meritorious Service Medal (with 1 Bronze Oak Leaf Cluster)
 Air Force Commendation Medal
 Air Force Outstanding Unit Award

Air Force Organizational Excellence Award
National Defense Service Medal (with 2 Bronze Service Stars)
Global War on Terrorism Service Medal
Humanitarian Service Medal
Air Force Longevity Service Award Ribbon (with 1 Silver Oak Leaf Cluster and 2 Bronze Oak Leaf Clusters)
Armed Forces Reserve Medal (with 1 Gold Hourglass Device and 1 Bronze Hourglass Device)
Air Force Training Ribbon
Washington Distinguished Service Medal
Washington State Disaster Relief Ribbon
Washington National Guard Service Ribbon (with 1 Bronze Oak Leaf Cluster)

PROFESSIONAL MEMBERSHIPS AND AFFILIATIONS:

American Bar Association
Washington Bar Association
Washington Trial Lawyers Association
American Trial Lawyers Association
Supreme Court of the United States
United States Claims Court
United States Court of Military Appeals
United States Court of Appeals for the Federal Circuit
United States Court of Appeals for the 9th Circuit
Washington Supreme Court
United States District Court, Western District of Washington
United States District Court, Southern District of Iowa
Iowa Supreme Court
Rotary International

OTHER ACCOMPLISHMENTS:

1999 National Guard Bureau Eagle Award

EFFECTIVE DATES OF PROMOTION:

Second Lieutenant 7 June 1968
First Lieutenant 5 June 1971
Captain 5 July 1972
Major 5 November 1977
Lieutenant Colonel 7 November 1981
Colonel 24 June 1987
Brigadier General 9 March 1990
Major General 26 January 1996

DOCUMENTS SUBMITTED FOR THE RECORD

JULY 12, 2012



Iowa



Washington

April 27, 2012

The Honorable Leon Panetta
Secretary
U.S. Department of Defense
The Pentagon
Washington, D.C. 20301

Dear Secretary Panetta:

Thank you for your letter to us – and your letters to the leadership of the House and Senate Armed Services and Appropriations Committees – offering an historic and unprecedented adjustment to the Fiscal Year 2013 (FY13) Air Force budget. Specifics aside, we appreciate your willingness to work with governors and to try to address our concerns.

Our objections to the FY13 budget are based on the Air Force’s failure to recognize the Air National Guard’s (ANG) importance to our national defense and especially its ability to sustain military power and capabilities at a fraction of the cost to taxpayers. The ANG provides 35 percent of total Air Force capabilities for only 6 percent of its budget. With no disrespect to the men and women in active duty, it is important to remember that:

- After 20 years of service, an average active duty enlisted airman receives nearly \$80,000 in total compensation compared to \$10,000 per year for an ANG airman – a manpower savings of 85%;
- At 22 years of service, an active duty pilot costs the Air Force approximately \$150,000 in total compensation compared to an ANG pilot with the same time in service who receives \$30,000 in total compensation; and
- Over a 26 year career, *each* ANG pilot saves our nation more than \$2 million compared to an active duty pilot.

We objected to an Air Force budget that imposes 59 percent of total Air Force cuts on the ANG, reduces ANG manpower by six times the per capita reduction of the active service and imposes 93 percent of all ANG manpower cuts in the first year of the five-year defense strategy. In our initial meeting with you on February 27, and in all subsequent communications, we have been clear that the FY13 Air Force budget, as introduced, fails to leverage and preserve ANG capabilities and would negatively impact ANG manpower, as well as fighter aircraft and airlift capabilities. We appreciate the effort to address the airlift issues we raised by your affirmation of the Air Force offer to transfer 24 C-130 aircraft from active duty units to the ANG; however, as acknowledged in the Air Force white paper that accompanies your letter, this offer falls short of addressing governors’ concerns. Furthermore we note, that under your proposal, only 1,179 manpower positions would

Page 2

be restored to the ANG by the Air Force, not the higher figures of 2,183 or even the 3,000 attributed to this package by Air Force officials.

As positive as your proposed airlift enhancements would be, they do not address the remainder of the FY13 manpower and fighter aircraft unit reductions. Unless precluded by Congress, the Air Force will still sweep 4 percent of total Air Force fighter aircraft from the ANG to active duty units. The result will be substantially higher manpower costs with no increase in the number of aircraft or combat capacity. As stewards of public funds, this does not make sense. Moreover, loss of ANG fighter aircraft units strips states of unit-assigned manpower and equipment as well as specialized firefighting, medical, communications and other assets critical to intra- and inter-state emergency operations.

As we wrote to Secretary Donley and General Schwartz on March 19, we believe the ANG's cost-effectiveness and high level of skill could be better utilized through a more balanced approach to reductions between the active forces and the ANG. In that letter, we encouraged the Air Force to consider cost neutral options for cross-leveling or reallocating programmed aircraft operations from the active service to the Guard.

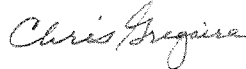
Again, we appreciate the cooperative relationship we have established with you and look forward to continuing to work with you to develop a sustained process that will provide the Council of Governors opportunities to exchange views, information and advice on state and Department of Defense requirements for FY14 and beyond. This is a critical step forward for incorporating the domestic duties and operational capabilities of the ANG into the overall budget of the Air Force. Until that process can be put in place, however, we will request that Congress sustain FY12 funding, manpower and aircraft levels for the ANG for FY13.

Thank you, again, for your leadership.

Sincerely,



Governor Terry E. Branstad
Co-Chair
Council of Governors



Governor Christine O. Gregoire
Co-Chair
Council of Governors

**WITNESS RESPONSES TO QUESTIONS ASKED DURING
THE HEARING**

JULY 12, 2012

RESPONSES TO QUESTIONS SUBMITTED BY MR. FORBES

General LOWENBERG. House and Senate provisions sustaining FY12 funding, manpower and aircraft levels for the ANG for FY13 are essential to prevent irreversible damage to the Air National Guard. As the Subcommittee on Readiness knows, the House-passed FY2013 NDAA and the FY2013 NDAA reported by the Senate Armed Services Committee both reject Air National Guard force structure adjustments proposed in the Air Force FY13 budget request and authorize an additional \$1.4 billion to cover the cost of deferring Air Force projected cost savings. These congressional actions are essential to preserve the Air National Guard's domestic and global defense capabilities and are precisely what the nation's Governors and other elected officials have requested of Congress—and continue to request—in light of the Air Force decision to terminate communication with the Council of Governors on PB13.

Secretary Panetta's June 22, 2012 commitment to congressional leaders affirming there will be no implementation of proposed FY13 force structure changes until further action by Congress and directing the Air Force "to suspend aircraft transfers and retirements previously scheduled for implementation in FY 2012" is also a welcome strategic pause, as is the Senate Armed Services Committee's proposed Commission on the Structure of the Air Force.

I agree with the Governors' support of the Senate proposals and believe an informed assessment by an independent Commission on the Structure of the Air Force would be of immense assistance to Congress in unraveling current Air Force budget proposals and assuring a sustainable, objective and informed process for Air Force budget decisions in FY14 and beyond.

As inferred in Chairman Forbes' question, however, suspension of FY10, 11 and 12 transfers will have an impact on previously approved force structure moves. I believe the objective, therefore, should be to preserve a "dynamic status quo" for previously announced FY10, 11 and 12 transactions while Congress develops and undertakes final action on its 2013 National Defense authorization and appropriations legislation. A dynamic status quo would permit continued implementation of the vast majority of uncontested FY2010, 11 and 12 transactions while suspending the much smaller number of contested transactions that would be difficult, costly or impossible to reverse.

I affirm what I stated in my formal testimony:

"Not all pending and unexecuted FY2010, 2011 and 2012 Air Force and Air National Guard force structure changes are or should be points of contention between the Air Force and the several States and territories. Many pending actions are supported by all interested parties. With that in mind, Governors and Adjutants General agree that a process should be established to proceed with proposed FY2010, 2011, 2012 (and future FY2013 and FY2014) transactions by concurrence of all affected parties while Congress studies the Air Force FY2013 and FY2014 budget proposals and awaits the collective review and recommendations of the Commission on the Structure of the Air Force.

The Council of Governors therefore supports any as-yet-unexecuted FY2010, FY2011 or FY2012 Air National Guard force structure, mission or manpower changes that are approved by the Department of Defense, the Department of the Air Force, the National Guard Bureau and the Governor of each State affected by the proposed transaction. For example, the Council of Governors supports implementation of the proposed transfer of C-130s from the Tennessee Air National Guard to the Puerto Rico Air National Guard provided the transfer of equipment and all related arrangements are approved by the Department of Defense, the Department of the Air Force, the National Guard Bureau, Puerto Rico Governor Fortuño and Tennessee Governor Haslam. There are many other examples of uncontested Air Force and Air National Guard transactions and force structure proposals. Such matters can be coordinated with congressional staff and the concurrence of the Council of Governors and the Governors of all affected states can be documented in whatever manner is acceptable to Congress and all of the affected parties."

A process like the one I've outlined herein would preserve a dynamic status quo and facilitate the timely transition from C-5As to C-17s/C-5Ms, previously planned retirements of older C-130s, and transfers of aircraft to backfill missions and aircraft retirements that are supported by all affected parties. [See page 35.]

General MILLER. Although the Senate language only identified aircraft from the Air National Guard and Air Force Reserve, the inability to execute these transfers, divestments, or retirements from previous fiscal years has operational impacts across the Total Force. These impacts include preventing the Air National Guard from replacing aging C-5A and C-130E aircraft and driving the Air Force to maintain multiple weapon system configurations at a single location which delays the Air Force from capitalizing on maintenance efficiencies and reduced costs. These delays impact our military capability and readiness, while introducing uncertainty in future missions and training schedules for affected units and the associated Airmen and families. They will also delay the Air Force's ability to reach the level of budget reductions mandated in the 2011 Budget Control Act.

Absent funding provided for this purpose by the Congress for FY13, sustaining any restored force structure would inevitably impact readiness, increase the potential for a hollow force, and produce a corresponding ripple effect on the viability of the Air Force FY14 POM submission. The proposed Senate language affected 150 aircraft transfers and 98 aircraft retirements programmed in Fiscal Years 2010, 2011, and 2012. The current estimate to maintain those aircraft through FY13 is \$255M. Based on guidance received from the Senate committees, we anticipate approval to move forward on 49 of the transfers and 58 of the retirements. The potential fiscal impact of sustaining the remaining retirements and transfers through fiscal year 2013 and the FYDP are still being analyzed. The current estimate for the restoral of all FY13 PB force structure actions is at least \$8.7B across the FYDP. [See page 35.]

General MILLER. Our assumptions for Fiscal Year 2014 and beyond are based upon the Fiscal Year 2013 President's Budget. If the Congress were to approve legislation which restores force structure reductions in the FY13 budget submission, we will make adjustments. If funded for one year, then depending on other events in our fiscal future (e.g. further Budget Control Act actions), we will have to address force structure funding on a year-by-year basis. [See page 36.]

General LOWENBERG. I believe the counter proposal was rejected because it failed to address the governors' primary concerns and offered nothing more than a stop-gap measure for addressing shortfalls in state organic theater airlift capabilities. It left intact the Air Force sweep of fighter aircraft from less costly Air National Guard units to vastly more expensive active duty units and preserved disproportionate FY13 Air National Guard manpower cuts. It was also predicated on the Air Force planning assumption that the active force is "as small as it can ever possibly be"—a core assessment that was outcome determinative throughout the Air Force FY13 budget process—and would have given the nation a reduced air combat capability at a higher cost than proposals advanced by the governors.

The 24 C-130s in the Secretary's proposal were described in our previous discussions with the Secretary and Chief of Staff of the Air Force as the "newest of the oldest" C-130s in the Air Force inventory and Air Force leaders persisted in describing them as excess to Total Force requirements, were unable to identify funding sources for assuring their airworthiness and were unwilling to assure they would even propose funding them beyond FY13.

In my view, the nation's Governors and Adjutants General are committed to national security decisions that preserve maximum combat force structure and assure military surge capacity as well as global and homeland defense flexibility while America gets its economic house in order. In other words, I believe they're dedicated to getting the greatest national defense "bang" for the taxpayers' "buck" and they didn't see those values reflected in the Air Force proposals. [See page 36.]

General MILLER. Our assumptions for Fiscal Year 2014 and beyond are based upon the Fiscal Year 2013 President's Budget. If the Congress were to approve legislation which restores force structure reductions in the FY13 budget submission, we will make adjustments. If funded for one year, then depending on other events in our fiscal future (e.g. further Budget Control Act actions), we will have to address force structure funding on a year-by-year basis. [See page 36.]

RESPONSES TO QUESTIONS SUBMITTED BY MR. LOESACK

General MILLER. The Air Force routinely reevaluates and refines its AC/RC mix using an institutionalized process known as the Total Force Enterprise Review Process. This process includes representatives of all Air Force components (Regular Air

Force, Air Force Reserve and Air National Guard) in an enterprise-level appraisal of Air Force requirements and resources, which applies mission and organizational analysis to support senior leader decisions. Potential future Total Force mission contributions by each component are first analytically optimized with respect to five major factors: 1) total strategy-based war-fighting and training demand, 2) projected manpower resources, 3) projected equipment inventory, 4) cost, and 5) deployment policy. The resulting zero-sum AC/RC mix is further refined with Force Composition Analysis focused on discrete weapon systems and career fields. This refinement delivers insights regarding our ability to perform the mission with a range of AC/RC mixes, enabling Air Force leadership to choose from several reasonable Force Mix Options within individual mission areas. Senior leader guidance resulting from these choices then informs the Air Force Corporate Structure which in turn makes debated recommendations back to Air Force leaders for reallocation of funding, equipment, and manpower resources across the Total Force. [See page 35.]

RESPONSES TO QUESTIONS SUBMITTED BY MR. PALAZZO

General MILLER. With regard to the hangar facility question for Dobbins ARB, a multi-functional site survey will be accomplished to complete an in-depth and detailed plan to execute the basing action. However, our initial review of facilities requirements at Dobbins ARB indicates modifications to existing hangars can be accomplished without MILCON funding. [See page 21.]

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

JULY 12, 2012

QUESTIONS SUBMITTED BY MR. FORBES

Mr. FORBES. In order to gain a better understanding regarding the level of communication and coordination that occurred between the Department of Defense and States' governors, what inputs were requested by the Air Force and National Guard Bureau from the Council of Governors and the States' Adjutant Generals prior to release of the FY13 President's Budget?

Governor BRANSTAD. Thank you for your inquiry regarding communications between the Department of Defense (DOD) and the Council of Governors (Council) regarding the FY2013 budget proposal. Governors and our Adjutants General were not informed of the budget proposal and its disproportionate impact on the National Guard in advance of its public release in February 2012 (aircraft reductions) and March 2012 (manpower reductions).

As commanders-in-chief of the National Guard, we were frustrated to read about the proposed reductions in the media. We understand and appreciate the need to reorganize and restructure the armed forces to meet new threats and realities. We were concerned, however, by the U.S. Air Force's failure to consider the impact of such cuts on governors' ability to rely on the National Guard during emergencies. The National Guard provides critical capabilities including communications, medical response and firefighting that are regularly utilized during emergencies across the country. Since the beginning of FY2012, governors have used the Guard in response to more than 130 events ranging from hurricanes to wildfires to critical infrastructure protection and explosives disposal.

Mr. FORBES. As co-chairman of the Council of Governors, what impact to Homeland Security, Civil Support, Humanitarian Assistance and Disaster Response would occur with the Air Force's proposed reduction of 21 F-16 and 102 A-10 aircraft?

Governor BRANSTAD. The Air Force's proposed reduction of F-16 and A-10 aircraft would have stripped states not only of these aircraft but also the corresponding personnel and affiliated support capabilities such as communications and medical response. These capabilities have proven critical to our ability to respond to a wide variety of emergencies and would have a significant impact on state, regional and national preparedness.

In many instances, these capabilities are incorporated into state emergency response plans that have been developed and coordinated with civilian emergency responders. Their unexpected loss would upend years of planning and deprive states of capabilities critical to saving lives and protecting the public.

Mr. FORBES. How was the Council of Governors' alternative proposal to the Air Force's FY13 budget request developed and what are the key takeaways in your view of how the alternative proposal meets both Homeland and National Security requirements better than what the Air Force originally proposed?

Governor BRANSTAD. Following the Council of Governors meeting with Secretary Panetta on February 27, 2012, my co-chair, Governor Chris Gregoire of Washington state, and I directed our Adjutants General (TAGs)—MG Tim Orr and MG Tim Lowenberg—to prepare an alternative Air National Guard budget concept that could be discussed with Air Force leaders as a way of initiating the requested negotiations. By close of business on March 1, 2012 (four days after the Council meeting), the TAGs had presented the budget concept to Air Force leaders through the National Guard Bureau.

It is important to note that the budget concept was not our ideal solution because it included several assumptions that were not ideal for states, but that had been identified by the Air Force as necessary for any alternative proposal. In addition, the timeline did not allow for review by all states—a practice the Council prefers to observe for major negotiations.

The Council's budget concept was a comprehensive alternative that would have decreased operational risk by increasing surge capacity, preserving the experience and technical expertise of the Air National Guard at a greatly reduced life-cycle cost, and exceeded targeted savings. This alternative would have ensured a more balanced approach to reductions between the active forces and the Air National Guard and would have preserved the necessary personnel and aircraft to respond to domestic emergencies throughout the country.

In response to the Council's budget concept, the Air Force proposed to retain 24 C-130 aircraft in the Air National Guard—a proposal that was later affirmed by Secretary Panetta and included in the revised Air Force budget proposal submitted to Congress in April. While we appreciated the recognition of governors' need for additional airlift capacity, this proposal failed to recognize the Air National Guard's importance to our national defense and its ability to sustain military power and capabilities at a fraction of the cost to taxpayers. As Governor Gregoire and I articulated in the attached letter to Secretary Panetta dated April 27, 2012, the offer to retain 24 C-130 aircraft failed to address our concerns regarding the disproportionate impact on the Air National Guard, including the loss of manpower and fighter aircraft.

[The letter referred to can be found in the Appendix on page 161.]

Mr. FORBES. The subcommittee understands that as a counter-proposal to the alternative proposal that the Council of Governors submitted to the Air Force, the Secretary of Defense chose to offer retiring 24 less C-130 aircraft to meet airlift needs of State governors. Why was the Secretary of Defense's counter-proposal insufficient in the view of the Council, and how could have the counter-proposal been structured to an acceptable level?

Governor BRANSTAD. As discussed in the response to the previous question, the proposal to retain additional C-130 aircraft fell short of addressing our concerns because it failed to leverage the Air National Guard's cost-effectiveness and did not address our concerns regarding manpower and the loss of fighter aircraft. When the proposal was first offered by Air Force Secretary Donley and Air Force Chief of Staff General Schwartz in March, Governor Gregoire and I wrote to Air Force leadership regarding our lingering concerns. In that letter (attached) we proposed that the Air Force consider more cost-neutral options for cross-leveling or reallocating programmed aircraft operations from the active service to the Air National Guard.

[The letter referred to can be found in the Appendix on page 55.]

Mr. FORBES. What recommendations would you make to improve the future coordination and collaboration regarding discussions of budgetary, requirements and force structure issues between the Council of Governors and the Department of Defense?

Governor BRANSTAD. The Council is currently discussing ways in which greater information can be shared between states and the Department of Defense (DOD) throughout the development of the annual budget. Governors do not want to be involved in the day-to-day operational decisions of the armed services. We do expect DOD to adhere to federal statute and previous agreements between the Council and DOD that require advance notice and opportunity for discussion with governors and their Adjutants General regarding proposed policy and budget matters affecting the National Guard.

One item in particular that we have raised with Department and Air Force leadership is the Air Force's use of non-disclosure agreements. The requirement that the Chief of the National Guard Bureau and the Director of the Air Guard sign non-disclosure agreements directly interferes with the National Guard Bureau Chief's statutory role as the conduit of information between states and the federal government. Had critical budget information been shared and discussed with governors and our Adjutants General throughout the development of the FY2013 Air Force budget, many of the problems that arose this year could have been avoided.

Mr. FORBES. The 2010 Quadrennial Defense Review concluded that the effective use of the Guard and Reserves "will lower overall personnel and operating costs, better ensure the right mix and availability of equipment, provide more efficient and effective use of defense assets, and contribute to the sustainability of both the Active and Reserve components." However, the force structure adjustments that the Air Force proposes increase the portion of force structure located within the Active Component under the new strategy. Given that this contradicts the 2010 QDR assessment of Guard and Reserve benefits, why is it that the Air Force chose to reorganize the force structure in this manner?

General MILLER. The end of combat operations in Iraq and impending changes in Afghanistan along with changing fiscal circumstances made it prudent for the administration to reassess the U.S. defense strategy. That assessment produced new strategic guidance that transitions the defense enterprise from a predominant emphasis on the last decade's conflicts, to one that rebalances the force for a broader spectrum of potential conflicts while advancing the important national security imperative of deficit reduction by significantly reducing defense spending. While the priorities of the new strategic guidance are similar to those of the 2010 Quadrennial Defense Review, a smaller Air Force, combined with likely demands on it in the new strategic environment, required a force structure realignment.

The Air Force's Fiscal Year 2013 President's Budget submission focused on those Air Force capabilities and forces which support the new strategic guidance. Our decisions were shaped in part by a decrease in planned resources relative to Fiscal Year 2012 as a result of the Budget Control Act of 2011. Under these constraints, we produced an effective total force solution that supports the new strategic guidance and meets the requirements of the Budget Control Act.

Mr. FORBES. The Senate Armed Services Committee is proposing language in its version of the FY13 NDAA that would effectively stop the transfer, divestment or retirement of all Air National Guard and Air Force Reserve aircraft not only in fiscal year 2013, but also in previous fiscal years 2010, 2011 and 2012. What impact would enactment of this language have on Guard and Reserve unit readiness across the country, as well as unit readiness of the Active Component?

General MILLER. If Congress does not provide sufficient funding for FY13 to sustain the Air National Guard and Air Reserve aircraft identified for transfer, divestiture, or retirement in the current and prior fiscal years; the resulting shortfall will inevitably undermine the Total Air Force's ability to sustain a restored force structure, impact readiness, increase the potential for a hollow force, and adversely affect the viability of the Air Force's FY14 POM submission.

There were 149 aircraft transfers and 103 aircraft retirements authorized and programmed in Fiscal Years 2010, 2011 and 2012. Based on guidance received from the Senate committees, the Secretary of Defense approved the Air Force to move forward on 49 transfers and 58 retirements. However, the Air Force was only able to complete 17 transfers and 39 retirements before the end of Fiscal Year 2012. The proposed Senate language stands to affect the remaining 132 aircraft transfers and 64 aircraft retirements. The potential fiscal impact of sustaining the remaining retirements and transfers through Fiscal Year 2013 and the FYDP are still being analyzed. The current estimated cost to restore all FY13 PB force structure actions, including required sustainment and modernization costs, is at least \$8.7B across the FYDP.

Mr. FORBES. The subcommittee understands that as a counter-proposal to the alternative proposal that the Council of Governors submitted to the Air Force, the Secretary of Defense chose to offer retiring 24 fewer C-130 aircraft to meet airlift needs of State governors. How was the number of 24 C-130s derived and at which locations were those aircraft going to remain?

General MILLER. Based on consistent concerns expressed by individual Governors over time regarding lift for civil support and disaster response, and the Air Force's desire to provide force structure to meet state missions, one option presented to the Council of Governors' representatives would have restored 24 C-130 aircraft in 3 ANG squadrons. In the absence of fully-articulated Title 32 airlift requirements, the number of aircraft was chosen with a view toward supporting a more even potential required distribution of airlift assets across the U.S. As such, there were no specific locations associated with the aircraft. Had the Council of Governors accepted our proposal, we would have sourced the aircraft from those planned for retirement, and worked with the Air National Guard to identify where they would have been assigned.

Mr. FORBES. What are the comparable O&M (flying hour) costs and differences in expected service life if aircraft are operated and maintained by the Reserve Component versus the Active Component?

General MILLER. Based upon the Air Force Total Ownership Cost System (AFTOC) data for FY11, the reserve component average hours per assigned aircraft was 57% of the active component (varies depending upon the aircraft). The reserve component cost per assigned aircraft (part time pay and benefits with fewer hours per tail) was 61% of the active (also varies depending on the aircraft). The reserve component mostly flies for training while the active has training plus a much heavier operational workload. Absent prudent management, and given the hours per assigned aircraft differential, the aircraft assigned to the active component would reach the end of service life sooner (1.8 times sooner assuming the aircraft is active from the time of receipt to retirement). Aircraft are generally rotated between units to even out expected life across each fleet.

FY11 Air Force Total Ownership Cost System

MD	FY 2011 AFTOC Data													
	ACTIVE						RC							
	Hours Per PAA	PAA	TAI	Operational CPFHTY	Operational CPTAI TY	% Life Completed	Hours Per PAA	PAA	TAI	Operational CPFHTY	Operational CPTAI TY	% Life Completed	RC Hours Per PAA Compared to AC	RC Cost per tail compared to active
A-10	464	169	193	\$16,752	\$6,640,820	66%	200	139	154	\$21,009	\$3,784,900	53%	43%	57%
B-52	331	47	58	\$62,725	\$16,805,590	54%	214	16	16	\$96,135	\$10,700,358	54%	65%	64%
C-130	638	128	136	\$13,775	\$11,277,363	28%	403	240	240	\$17,509	\$7,057,516	20%	63%	63%
C-17	1,310	156	188	\$20,906	\$22,717,064	22%	699	24	21	\$23,065	\$18,399,701	23%	53%	81%
C-5	580	34	32	\$55,806	\$34,378,821	42%	307	58	72	\$60,556	\$14,988,443	43%	53%	44%
F-15	301	292	341	\$33,154	\$8,555,208	95%	185	108	130	\$33,353	\$5,120,890	40%	61%	60%
F-16	334	495	585	\$21,249	\$6,008,511	68%	200	358	435	\$22,089	\$3,633,045	67%	60%	63%
KC-135	930	147	169	\$16,094	\$13,020,834	58%	506	236	247	\$17,065	\$8,249,711	50%	54%	63%

Reserve Component Average Summary (Annual Flying Hour Costs Only)

MD	RC Hours Per PAA Compared to AC	RC Cost per tail compared to active
A-10	43%	57%
B-52	55%	64%
C-130	63%	63%
C-17	53%	81%
C-5	53%	44%
F-15	61%	60%
F-16	60%	60%
KC-135	54%	63%
Avg	57%	61%

Mr. FORBES. A baseline rationale that is heard many times for maintaining more force structure in the Reserve Component than the Active Component is because the Reserve Component is more cost-effective than the Active Component. Do you agree that the Reserve Component is more cost-effective than the Active Component? How does steady-state operational tempo factor into the cost-effectiveness of the Reserve Component and how did operational tempo factor into the Air Force decision to increase force structure in the Active Component?

General MILLER. While the Reserve Component may be cost-effective in certain situations, it is imperative to consider all relevant factors that work together to ensure the Total Air Force is capable of fulfilling its mission of defending the nation over time. As the Air Force was driven to consider significant reductions in FY13, we carefully considered the forces assigned to the Active and Reserve Components and made choices that ensured the Total Force could fulfill the Air Force's wartime surge requirements as directed in the force sizing construct of the new strategic guidance. Our priorities include maintaining the balance between Active and Reserve Components required to fulfill continuing rotational requirements at deployment rates and personnel tempos that are sustainable for both the Active and Reserve Components; making sure the Active Component retains the recruiting, training, and operational seasoning base required to sustain the Active Air Force, Air National Guard, and Air Force Reserve into the future; and ensuring the Reserve Component remains relevant and engaged in both enduring and evolving missions.

Projected operational tempo was, as it must be, factored into Air Force decisions on force structure. The Secretary of Defense's deploy-to-dwell goal is to ensure active duty forces deploy at a rate of no more than 1:2 (for example, 6 months deployed followed by 12 months at home base) and the reserve components mobilize (ANG and the Air Force Reserve) no more than 1:5. An active-reserve balance that requires either routine active duty deployment above the policy guideline, or involuntary mobilization of the reserve forces to avoid over-use of active forces, would add further stress on the total force and indicate that the Air Force does not have the proper balance.

Mr. FORBES. We understand that the Air National Guard operates 16 of 18 Aerospace Control Alert sites and that by 2013, retirements of F-16 aircraft will affect 10 of 18 Aerospace Control Alert sites. What plans are in place to replace the retiring force structure for all of the Air National Guard's Aerospace Control Alert sites?

General MILLER. The Air Force is not retiring any force structure as a result of FY13 PB actions that would impact Aerospace Control Alert (ACA) sites. Furthermore, retirements of F-16 aircraft will not affect ACA sites as the retiring F-16s are not qualified to accomplish ACA missions.

For the FY13 PB, NORAD is removing only the 24-hour ACA requirement at two locations—Duluth, MN and Langley, VA. Subsequently, the Air Force is changing the status of 128 Air National Guard military personnel authorizations from full time to part time Drill Status Guardsmen (DSGs). The number of aircraft and manpower authorizations will remain the same. NORAD still retains the authority to conduct ACA operations with these units at these and other locations should na-

tional security threats elevate and higher levels of readiness are implemented by the NORAD Commander.

Mr. FORBES. What additional funds, if any, are needed in fiscal year 2013 and beyond to improve the equipment readiness of Air National Guard and Air Force Reserve Component units that do not currently meet standards?

General MILLER. As part of the Total Air Force, the Air Reserve Components are funded at the same readiness level as the regular Air Force. The Air National Guard and Air Force Reserve face known and validated equipment readiness shortfalls, as identified in the National Guard and Reserve Equipment Report. These shortfalls are \$2.8B for the Air National Guard and \$2.2B for the Air Force Reserves. While we carefully manage the cost of keeping Air Force equipment ready, the combination of cost growth in the defense sector, fiscal pressures and ongoing operations lead us to project increasing equipment readiness shortfalls.

Mr. FORBES. Leadership within the National Guard professes that for only 6 percent of the Air Force's budget, the Air National Guard provides 35 percent of the Air Force's force structure capability. Does the Air Force agree or disagree? If the Air Force disagrees, what does the Air Force believe the percentages to be and how does the Air Force derive the percentage calculations?

General MILLER. The Air National Guard's assertion they account for 6 percent of the cost and contribute 35 percent of the capability of the Air Force is based on factors involving accounting for the resources required to support the Air National Guard, characterizations of the total Air Force budget, and an interpretation of ownership of airframes is the same as "percent of capability" with which there is not total agreement.

More specifically: The Air Force's "Total Obligation Authority (TOA)," is the amount of funds the Air Force has the authority to obligate throughout the life of the appropriation. The entire Air Force budget is comprised of what is commonly called "blue" and "non-blue" TOA: the former is those resources under direct Air Force management (Blue) and the latter, those managed by other organizations (Non-Blue). Blue TOA includes both baseline and (at varying levels over the past decade) overseas contingency operations (OCO) funding, which can be blue or non-blue. Non-blue TOA is nondiscretionary and the Air Force has no control over it.

For an apples-to-apples comparison of Air Force and Air National Guard operations funding, the most accurate standard for comparison is the "blue" baseline—i.e., the only resources the Air Force can allocate. Within those resources, the active Air Force budget bears the full cost of research, development, testing, and evaluation (RDT&E) and procurement (the National Guard does not, although the National Guard and Reserve Equipment Account as a separate appropriation does develop and procure specific types of equipment). Both components benefit from RDT&E and procurement, and the Air National Guard does not pay, so they are appropriate to remove from the operating cost baseline. When RDT&E and procurement are factored out as to compare operating costs fairly, for the Air Force FY13 baseline budget of \$110.1 billion; the "denominator" for comparison drops to \$74.3 billion. Hence, the Air National Guard's total operations & maintenance (O&M) and military personnel funding of \$9.1 billion represents about 12.2%, not 6%, of the Air Force's real operating costs. (Note: an additional \$267 million in Air National Guard MILCON and Medicare comprise an additional 0.4 percent of the baseline budget). With regard to the "capability" half of the ANG assertion, the Air National Guard does comprise roughly 35 percent of the Air Force's total force structure for tactical airlift and aerial refueling—but the ANG represents a smaller percentage in other weapon systems, and a far smaller percentage than 35% in other areas such as nuclear deterrence, space operations and intelligence, surveillance and reconnaissance. In addition, even in those cases where the Air National Guard possesses 35% of the airframes of a particular type, the capability possessed is only equal to that same percentage when the aircraft are fully deployed. In that case, the operational cost is the same for ANG and active forces. But it is important to note that under "steady state" deployment policy, Guardsmen deploy at a maximum 1:5 deploy-to-dwell ratio, as compared to a 1:2 for active forces. Thus, in conditions short of full mobilization, Guard force structure can only be used at less than half the rate active duty force structure can be used—so it does not consistently provide 35% of the capability of the Air Force.

In summary, Air National Guard more accurately accounts for 12.2% of the "operating cost" of the Air Force, and the "35% of capability" asserted is only true for a part of the Air Force's fleet, and not always true when it comes to operational deployment capability. Comparisons between components must be very precisely stated if they are to be useful, and this assertion oversimplifies and overstates a very complex cost/capability mix. The Air Force continues to value and depend on

the inherent synergy of the Total Force Enterprise and is committed maximizing the contributions of all components to the Air Force's value to the nation.

Mr. FORBES. Assume that the Department of the Air Force is tasked to fill a 6-month OCONUS deployment to an austere location, which already has in-place infrastructure, with capabilities and required personnel associated with 6 C-5s, 25 C-130s, 20 KC-135s, 10 C-17s, 54 F-16s and 24 A-10s. Based on concepts of operation and employment used over the past 10 years, how much would it cost the Active Component only to fulfill the deployment for 6 months? How much would it cost to fulfill the deployment with Reserve Component forces only? Please break down costs and assumptions into specific categories that are used to derive the total cost for each component.

General MILLER. There is no significant difference in the cost to deploy Active Component (AC) versus Reserve Component (RC) aircraft. Additionally, AC and RC members of the same rank and seniority are paid at the same rates when deployed (i.e. serving on active duty). Therefore, assuming typical a six-month deployment is covered by AC or RC members who all deploy for the full 6 months, the cost of any AC-only deployment is equal to or less than the cost of any like mission RC-only deployment, because RC members are typically more senior and therefore cost more than AC members; and the RC member may incur pre- and post-deployment mobilization time that, while necessary, does not directly fulfill the deployment tasking. Based on concepts of operation and employment over the past 10 years, wherein RC members have typically deployed for shorter periods than AC members, an RC deployment includes an additional cost to overlap multiple RC members to fill one deployed billet. For example, when RC members deploy 30 days at a time, the cost of each deployed day remains the same, and the cost of overlap days in theater and of pre- and post-deployment days at home is multiplied by 6, to account for the 6 RC members needed to fill the same 180 days filled by a single AC member.

Mr. FORBES. The subcommittee understands that the Air Force budget officers a steady-state requirement for overseas combat air forces (CAF) in the post-surge FY13-17 period that is 42% higher than the greatest number of CAF needed in simultaneous operations in Iraq and Afghanistan, and more than 68% higher than the number of CAF aircraft currently deployed overseas. How did Active Duty budget officers derive this increased requirement and what are the planning assumptions being used to determine steady-state requirements post-surge for both CAF and mobility air forces.

General MILLER. The planning assumptions being used to determine steady-state post-surge demand for the joint forces, including CAF and mobility forces are derived from Department of Defense strategic guidance and the associated joint planning scenarios developed by the department, led by OSD Policy, the Joint Staff, and OSD Cost Assessment and Program Evaluation for the purpose of joint force sizing. The Combatant Commands (COCOMs), Services and the National Guard Bureau participate in the development and the coordination of these joint scenarios.

The 5 January strategic guidance, Sustaining U.S. Global Leadership: Priorities for 21st Century Defense, provides the basic force sizing guidance: "The overall capacity of U.S. forces, however, will be based on requirement that the following subset of missions demand: counter terrorism and irregular warfare; deter and defeat aggression; maintain a safe, secure, and effective nuclear deterrent; and defend the homeland and support civil authorities." This includes the ability to conduct a large-scale combined arms campaign in one region while also being capable of denying the objectives of—or imposing unacceptable costs on—an opportunistic aggressor in a second region. The annual classified Defense Planning Guidance signed by the SECDEF provides details on the specific scenario combinations to be used for force sizing to meet the strategic guidance. These mid-term (2018) scenarios are informed by current Operations Plans and current force rotations, as well as future projected threat changes and inputs from the COCOMs on future projected presence requirements. The post-surge numbers in the question come from those joint scenarios developed by OSD policy, using concepts of operations and forces developed and approved by the Joint Staff, and do not reflect independent estimates by U.S. Air Force budget officers.

In addition, the post-surge numbers used to inform the FY13 President's Budget do not exceed the "greatest number of CAF needed in simultaneous operations in Iraq and Afghanistan." According to the U.S. Air Forces Central (then USCENTAF) classified report on OIF, Operation IRAQI Freedom—by the Numbers, 30 April 2003, the CAF fighter numbers deployed in support of OIF alone greatly exceeded the numbers used to inform FY13 President's Budget.

Mr. FORBES. What is the ideal ratio between Active and Reserve Component force structure for combat, mobility and ISR forces to meet the operational tempo and re-

quirements of the new defense strategic guidance, and how was the ratio modeled and validated?

General MILLER. There is no single ratio that describes an ideal mix of active and reserve component forces; rather, the ratio is the result of many factors and the Air Force has directed significant effort over the past several years to building and improving a transparent process to re-examine missions as circumstances change. Accordingly, the Air Force routinely reevaluates and refines its Active Component/Reserve Component (AC/RC) mix using an institutionalized process known as the Total Force Enterprise Review Process. This process includes representatives of all Air Force components (Regular Air Force, Air Force Reserve and Air National Guard) in an enterprise-level appraisal of Air Force requirements and resources, which applies mission and organizational analysis to support senior leader decisions. Potential future Total Force mission contributions by each component are first analytically optimized with respect to five major factors: 1) total strategy-based war-fight and training demand, 2) required manpower, 3) projected equipment inventory, 4) cost, and 5) deployment policy. The resulting zero-sum AC/RC mix is further refined with Force Composition Analysis focused on discrete weapon systems and career fields.

This refinement delivers insights regarding mission feasibility across a range of AC/RC mixes, enabling Air Force leadership to choose from several reasonable Force Mix Options within individual mission areas. The resulting senior leader decisions are then considered within the Air Force's resource allocation decision-making process, and put in a prioritized context using similar analysis of the appropriate AC/RC ratio for combat, mobility, ISR and all other Air Force mission areas.

Mr. FORBES. For the FY14 Air Force budget development, is the Air Force using the same collaboration and coordination techniques that were used during the FY13 budget process as it relates to restricted information sharing and the use of non-disclosure agreements?

General MILLER. During the development of the FY13 budget proposal, the Air National Guard, Air Force Reserve, and Chief, National Guard Bureau, participated in all aspects of resource decision-making. For the FY14 budget development, the Air Force is operating under long-standing DOD guidance for the Planning, Programming, Budgeting and Execution System, which keeps restricted and pre-decisional information protected, but allows coordination with properly cleared, responsible parties.

Mr. FORBES. During the FY13 budget building process, and currently during the FY14 budget building process, how many Air Force, Air National Guard and Air Force Reserve personnel were required to sign non-disclosure agreements (NDAs), and which specific offices within each of those organizations were required to sign NDAs?

General MILLER. Those individuals who participated in the Air Force Corporate Structure (budget preparation and deliberation) process or required access to the Air Force budget information were required to sign non-disclosure agreements, and the number of non-disclosure agreements was not centrally tracked; no specific organizations were required to sign. The use of the non-disclosure agreements in the FY13 budget process was in response to a number of factors unique to the circumstances. The Air Force coordinated fully with the Air National Guard, Air Force Reserve and Chief, National Guard Bureau. For the FY14 budget development, the Air Force is operating under long-standing DOD guidance for the Planning, Programming, Budgeting and Execution System, which keeps restricted and pre-decisional information protected, but allows coordination with properly cleared, responsible parties.

Mr. FORBES. What additional funds, if any, are needed in fiscal year 2013 and beyond to improve the equipment readiness of Air National Guard and Air Force Reserve Component units that do not currently meet standards?

General LOWENBERG. As part of the Total Air Force, the Air Reserve Components are supposed to be funded at the same readiness level as the regular Air Force. The same shortfalls in equipment readiness should therefore exist across all Air Force components. For the Air National Guard and Air Force Reserve, unmet equipment readiness needs have been communicated to Congress via the annual National Guard and Reserve Equipment Report. The current report identifies a \$2.8B shortfall for the Air National Guard and a \$2.2B shortfall for the Air Force Reserve.

Additionally, \$9.7B in Air Reserve Components modernization capabilities were validated by subject matter experts at the most recent annual Weapons and Tactics Conference forum. This forum identifies equipment requirements in an open and rigorous exchange among warfighters who are experts in their respective weapons systems. The capabilities requirements validated in this forum are translated into specific programs for which commercial or government off-the-shelf (GOTS) equipment is available and requires only non-developmental integration into a weapons

system. The requirements validation process includes C2, cyber, intelligence surveillance and reconnaissance (ISR), training, and simulator systems as well as weapons delivery, airlift, and tanker platforms. These capabilities and associated programs are documented in the annual Weapons Systems Modernization Requirements Book.

The National Guard and Reserves Equipment Account (NGREA) has been essential in maintaining the operational capabilities of both Air Reserve components.

The Air National Guard also uniquely provides non-Federalized air reserve component forces for national defense and homeland defense missions. To identify requirements for these constitutionally unique missions, National Guard subject-matter experts from all 54 states, territories, and the District of Columbia enter into an equally open and rigorous analysis of mission requirements in an annual Joint Domestic Operations Equipment Requirements (JDOERS) conference.

This year's Air and Army National Guard JDOERS conference involved more than 500 military and civilian subject matter experts from all 54 states and territories, Federal Emergency Management Agency (FEMA) regions and Emergency Support Functions (ESFs), as well as Army National Guard (ARNG) and Air National Guard (ANG) Readiness Center staffs. The conference defined, validated and documented ANG, ARNG and joint capability shortfalls for domestic operations based on the vast pool of experience and boots-on-the-ground understanding of domestic missions at all levels—local, state, regional and multi-state. In the course of the conference, work groups addressed equipment requirements in all of the Emergency Support Functions (ESFs) in the National Response Framework (NRF).

The JDOERS process, including the annual conference and its 2012 JDOERS Equipment Requirements book, has catalogued domestic operations equipment shortfalls in each Emergency Support Function (ESF) totaling more than \$486M for the Air National Guard.

QUESTIONS SUBMITTED BY MR. PALAZZO

Mr. PALAZZO. The House has made clear that they are uneasy with the FY13 Force Structure Adjustment reductions and SASC NDAA language requests a pause on USAF force structure changes until the proposed “commission” submits its report to Congress on 3/31/2013. The SASC bill also “strongly encourages” the Secretary to suspend other, non-aircraft force structure adjustments, but does not prohibit it.

The non-iron changes were made to pay for the iron movement. If that iron movement is not happening, does Air Force plan to reevaluate the Force Structure Adjustments with regards to personnel decreases such as those at the CRTCs and AOGs around the Nation?

General MILLER. The Air Force's current planning premise, given the timelines required for budget planning, is that the Fiscal Year 2013 President's Budget and force structure changes from previous fiscal years will be approved. As it does every year, the Air Force will evaluate the impact of actions taken by the Congress as it formulates future plans and programs, including with regard to personnel changes. We anticipate making the necessary adjustments when we receive new guidance or enactment of the FY13 budget.

QUESTIONS SUBMITTED BY MRS. ROBY

Mrs. ROBY. While the other services are shifting resources to the Guard and Reserve in order to preserve capability at lower cost, the Air Force in its proposed force structure changes is actually shifting capability to the Active Component at the expense of the Guard and Reserve. Given the fact that General Dempsey has indicated we are going to be transitioning from a deployed force to a garrison force for the first time in over a decade, what is the justification to rebalance, particularly the tactical airlift forces, towards the Active Component?

General MILLER. The new DOD Strategic Guidance “Sustaining US Global Leadership: Priorities For 21st Century Defense” directs the services to build a force that will be smaller and leaner, flexible, ready, and technologically advanced. The Chairman's statement characterizes DOD's force in general, but the demand for USAF assets—similar to the ten years of elevated-tempo air operations in Southeast Asia which followed Desert Storm in 1991—are highly unlikely to decrease as much or as fast as they will for the ground forces. To deliver the capabilities likely to be required under this guidance, and remain within funding constraints, the Air Force made difficult choices in all service core functions.

With regard to the decision to rebalance the tactical airlift forces, Case 3 of the Mobility Capabilities and Requirements Study 2016, previously conducted by OSD CAPE and USTRANSCOM, calls for 270 tactical airlift support aircraft. This anal-

ysis closely mirrors the new strategic guidance. The reduced tactical airlift requirement permitted divestiture of 65 older C-130H aircraft. Previous reductions in force structure shifted the Total Force ratio significantly toward Reserve Component forces, and Air Force decisions in the FY13 President's Budget request rebalanced that ratio to create a more sustainable force structure over the long term. Maintaining the appropriate mix of forces between the Active and Reserve Components is critical to sustaining Air Force capabilities for forward presence, rapid response, and high-rate rotational demands with a smaller overall force.

Mrs. ROBY. General Swartz recently stated that the Air Force has determined that they could not sustain further Active Component cuts without jeopardizing the collective ability of the total force to support our Nation's strategic interests. Since we are now out of Iraq and projected to reduce forces/remove forces from Afghanistan, what other conflicts or activities do you see on the horizon that will drive the Air Force to maintain the type of operational tempo we've seen, and that I may add has been successfully provided, by the current Active/Reserve Component mix?

General MILLER. Despite the best analysis and projections of national security experts, the time and place of the next contingency are never certain and rarely what we expect. The 21st Century continues to be a period of extreme volatility due to the spread of advanced technologies, social change, and global economic stress. Facilitated by worldwide connectivity, capabilities that traditionally belonged exclusively to developed nations are now available to rising powers, rogue states, malicious groups, and even individuals with internet access—enabling those with ill intent to increasingly challenge our interests.

Our force structure and Active to Reserve Component (AC/RC) ratios are not solely based on current or near-term operational conditions (e.g., reduction/removal of forces in Afghanistan), but primarily by future planning scenarios. The new Defense Strategic Guidance (DSG) and its defense planning scenarios create the future constructs in which our forces will be required to operate and perform. To that end, the evolving strategic environment, particularly in the Pacific and the Middle East, continues to affect the combatant commander "demand signals" for Air Force capabilities. By all indications, the demands on the Air Force—as a smaller, ready force provider—will remain constant or increase, not decrease, over the next decade.

On top of previous years' force reductions, the Air Force's FY13 President's Budget (FY13 PB) request made hard strategic choices, aligned with the DSG, that will yield the Air Force's smallest total aircraft inventory in our history, and provide the minimum required force capability and capacity to meet the DSG's force planning construct and scenarios. The analytical process used to derive the proposed FY13 PB force levels focused on a multitude of factors, including combatant commander requirements for surge and post-surge (rotational forces), weapons system inventories, manpower, force policy such as deployment-to-dwell ratios, and cost. A constant or increased "demand signal" combined with a fiscally reduced Air Force force structure necessitates the proposed changes to the current AC/RC mix.

Mrs. ROBY. The Guard and Reserve have been a particularly cost-effective way to provide capability. In a period where cost is and will continue to be a major factor, why would the Air Force reduce some of its most cost-effective force providers, and place that capability in the more expensive Active Component?

General MILLER. As the Air Force was driven to consider reductions in FY13, we carefully considered the demand on, and capabilities/capacity of the Active and Reserve Components and made choices that ensured the Total Force could fulfill the Air Force's surge requirements as directed by the force sizing construct of the new strategic guidance. We maintained the balance between Active and Reserve Components required to fulfill continuing rotational requirements at deployment rates and personnel tempos that are sustainable for both the Active and Reserve Components; made sure the Active Component retained the recruiting, training, and operational seasoning base required to sustain the Active Air Force, Air National Guard, and Air Force Reserve into the future; and ensured the Reserve Component remains relevant and engaged in both enduring and evolving missions.

Previous reductions in force structure shifted the Total Force ratio toward Reserve Component forces, and Air Force decisions in the FY13 President's Budget request balanced reductions across the AF to create a more sustainable force structure over the long term. Maintaining the appropriate mix of forces between the Active and Reserve Components is critical to sustaining Air Force capabilities for forward presence, rapid response, and high-rate rotational demands with a smaller overall force.

Mrs. ROBY. With the recent support of the Council of Governors, the Guard is supposed to get 24 C-130s added back. Where will those aircraft come from and where will they be assigned?

General MILLER. No final decisions have been made on the disposition of these 24 aircraft. Based on the new strategic guidance and what and where we believe

future demand will be we are seeking a Total Force answer to the stationing of these aircraft. As always the Air Reserve Components, the Chief, National Guard Bureau, and the Combatant Commands will have input as to their priorities and requirements that may affect the final decision.

Mrs. ROBY. Previously it was determined associations would work best on Active Component bases, where service members would have access to needed services like personnel, finance, base housing, etc. Yet many of the new associations proposed in the force structure announcement will be at Guard/Reserve bases, where those services are lacking, some without any nearby bases. Why are you going forward with associations at those locations and not at Maxwell?

General MILLER. The Air Force routinely reevaluates and refines its Active Component/Reserve Component (AC/RC) mix and its associations using an institutionalized process known as the Total Force Enterprise Review Process. This process includes representatives of all Air Force components (Regular Air Force, Air Force Reserve and Air National Guard) in an enterprise-level appraisal of Air Force requirements and resources, which applies mission and organizational analysis to support senior leader decisions. As part of this process, the major commands sponsor association constructs which are established after careful Air Force Corporate Structure evaluation and funding. Associations that assign full-time Regular Air Force manpower to Guard/Reserve bases capitalize on the availability of aircraft and other Guard/Reserve resources. Where these associations are established without a nearby active component base, it is because the cost/benefit analysis has shown that the mission benefits outweigh the lack of traditional services.

Mrs. ROBY. The Air Force is making the assumption that the ops tempo for C-130s will remain high as a justification for rebalancing towards a more Active Duty centered force. Yet the Chairman of the Joint Chiefs and the other service chiefs are discussing how to adjust to being a force in-garrison as we're out of Iraq and expect activity to come down in Afghanistan. What factors/actions are behind the assumptions that particularly the C-130 ops tempo will remain high/critically high?

General MILLER. Our aircraft force structure and active duty to Air Reserve Component (ARC) aircraft ratios are not based on current or near-term operational conditions (e.g., decrease in activity following the end of operations in Afghanistan). Instead, they are driven primarily by future planning scenarios. The new Defense Strategic Guidance and related defense planning scenarios create the future employment constructs in which our forces will be expected to operate and perform. They shape the Air Force force structure and corresponding ratios between active duty and ARC. These scenarios allow the Department to determine the capabilities and quantities of aircraft necessary to support combatant commanders in these future operations. The C-130 intra-theater aircraft requirements and the ratio of these aircraft are derived, through analysis of these scenarios, to provide the necessary force structure for future operations. In addition, while the Chairman's remarks describe the overall trend for DOD's forces, the last several decades of Air Force history suggest that meeting combatant commander and other demands for airpower will remain significant for the USAF.