

**MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES APPROPRIATIONS FOR FISCAL YEAR 2016**

**TUESDAY, MARCH 17, 2015**

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

The subcommittee met at 2:30 p.m., in room SD-124, Dirksen Senate Office Building, Hon. Mark Kirk (chairman) presiding.

Present: Senators Kirk, Murkowski, Collins, Boozman, Cassidy, Tester, Udall, Schatz, and Murphy.

**DEPARTMENT OF DEFENSE**

**DEPARTMENT OF THE ARMY**

**STATEMENT OF LIEUTENANT GENERAL DAVID D. HALVERSON, ASSISTANT CHIEF OF STAFF FOR INSTALLATION MANAGEMENT, AND COMMANDER, U.S. ARMY INSTALLATION MANAGEMENT COMMAND HEADQUARTERS**

**OPENING STATEMENT OF SENATOR MARK KIRK**

Senator KIRK. We will be talking about the military construction (MILCON) needs of our Armed Forces.

Let me turn it over to my ranking member, Mr. Tester.

**STATEMENT OF SENATOR JON TESTER**

Senator TESTER. Thank you, Chairman Kirk.

I want to welcome all the witnesses here today. Thank you all for appearing in front of the subcommittee.

At \$8.4 billion, the fiscal year 2016 MILCON budget request marks a significant and welcome increase over last year's request, a 67-percent increase for Air Force MILCON projects, a 59-percent increase for Navy, a 37-percent increase for Army. And I think this is a remarkable turnaround from last year's budget.

I am particularly pleased that the request includes funding for our current mission and quality-of-life projects. Over the last 3 years, tight budget constraints have forced the services to take risks in their MILCON programs and focus almost exclusively on new mission requirements. As a result, aging and inefficient facilities continue to be patched together instead of being replaced. And quality-of-life projects, such as barracks, physical fitness centers, and child care centers, went on the backline for funding.

So the fiscal year 2016 request is a good news story, and I want to thank you for your support of the MILCON program. I hope the level of MILCON funding in the President's request will be sustained as the appropriations bills work their way through Congress.

I do recognize that we face a serious challenge with the Budget Control Act (BCA) caps. This is something Congress is going to have to address over the coming weeks.

But I look forward to the testimony here today, and I hope the subcommittee will get some assurances that, absent a catastrophic reduction in defense funding, MILCON will continue to receive adequate funding in the years to come.

Look, you guys have an important job to do. It is our job to give you the tools to do it. I think this budget does it. If you are able to justify it, hopefully, we can get over these spending caps with the BCA.

With that, I will turn it back to you, Mr. Chairman.

Senator KIRK. Thank you. Let's recognize our witnesses. We will go with General Halverson. I think we will start out with you.

General HALVERSON. I thank you, Chairman Kirk, Ranking Member Tester, and distinguished members of the committee for the opportunity to discuss the Army's fiscal year 2016 military construction budget. Also, thank you for your support of the past military construction programs that invest in the readiness of our Army.

The President's fiscal year 2016 military construction budget request supports a regionally engaged Army that is in a fiscally constrained environment. Anything less puts our Army at an unacceptable level of risk.

The Army is at a critical point in installation readiness. Sequestration brought on by the Budget Control Act is affecting the Army's ability to provide facilities that our all-volunteer soldiers and their families rely and depend upon to sustain readiness and maintain their quality of life.

The Army's fiscal year 2016 MILCON budget targets the minimum essential requirements. Our request focuses MILCON investments on supporting readiness initiatives and revitalizing failed facilities. Although we are asking for that 26-percent increase in the fiscal year 2015 military construction, family housing, and base closure activities, it is important to note that the \$1.6 billion request is a 33-percent reduction from fiscal year 2014 and a 55-percent reduction from fiscal year 2013.

The Army applies resources to the most critical requirements. We reduce risk to the soldier and family readiness by managing the limited military construction funds necessary for sustaining the readiness, the training, and the quality of life, and repairing mission essential facilities that are in the worst conditions.

As the force structure declines, we must right-size the supporting infrastructure without compromising Army readiness. We need a new round of BRAC realignment and closure in 2017 to reduce the cost and consolidate our infrastructure.

The alternative is to make up for shortages in funding by increasing the risk to our readiness. Our parametric analysis shows that the Army facility capacity is 18 percent greater than required

for the 490,000 mission Active Duty force. As end strength declines further, more capacity is created.

The Army welcomes a discussion on how to structure a future BRAC process. The fiscal year 2016 military construction budget request maintains a trained and ready Army capable of unified operations, but at an elevated risk. Our MILCON request is only 1.3 percent of the total Army budget. We are focusing our limited MILCON resources on training, maintenance, mission command and readiness of facilities.

Any further reductions will put us at the brink of breaking our soldiers' trust that we will provide them the right resources to prepare for any contingency.

On behalf of the soldiers, families, and civilians in the best Army in the world, we thank you for the opportunity to present our most critical military construction requirements and thank you for your vital support of our Army. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF LIEUTENANT GENERAL DAVID D. HALVERSON

#### INTRODUCTION

Chairman Kirk, Ranking Member Tester, and members of the subcommittee, on behalf of the soldiers, families, and civilians of the United States Army, thank you for the opportunity to present the Army's fiscal year 2016 military construction (MILCON) and installations programs budget request.

The Army installation management community is committed to providing the facilities necessary to enable a ready and capable Army. The President's fiscal year 2016 MILCON budget request supports a regionally-engaged Army in a fiscally-constricted environment.

We ask for the subcommittee's continued commitment to our soldiers, families, and civilians and support for the Army's MILCON and installations programs.

#### OVERVIEW

The President's fiscal year 2016 budget requests \$1.6 billion for Army MILCON, Army Family Housing (AFH), and Base Closure Accounts (BCA). This request represents 1.3 percent of the total Army budget request. Of this \$1.6 billion request, \$743 million is for Military Construction, Army; \$197 million is for Military Construction, Army National Guard; \$114 million is for Military Construction, Army Reserve; \$493 million is for AFH; and \$30 million is for BCA.

The Army's facility investments are focused on supporting necessary training, maintenance, and operations facilities. These investments take into consideration the fiscal landscape we are facing as a Nation, which is influenced by the Budget Control Act of 2011, the Bipartisan Budget Agreement of 2013, and the strategic shift to realign forces toward the Asia/Pacific theater.

#### ARMY FORCE STRUCTURE

Fiscal reductions required by current law, and outlined in the 2014 Quadrennial Defense Review, have put the Army on a path to shrink our Active component end strength and corresponding force structure a second time from a peak of 570,000 in fiscal year 2010, to 450,000 by fiscal year 2018. This is a total reduction of 120,000 Active component soldiers, approximately 22 percent. If sequestration level cuts are imposed in fiscal year 2016 and beyond, the Army may have to reduce our end strength and corresponding force structure to 420,000 soldiers by fiscal year 2019. This is a cumulative reduction of 150,000 soldiers, approximately 26 percent.

These reductions will affect every installation in the Army. The Army must retain our adaptability and flexibility so we can continue to provide regionally-aligned and mission-tailored forces in support of national defense requirements. Failing to maintain the proper balance between end-strength, readiness, and modernization will result in a "hollow" Army. The Army is already reducing our Active component from 45 Brigade Combat Teams (BCTs) to 32 by the end of fiscal year 2015.

When we evaluated our initial force structure reductions from 570,000 to 490,000 soldiers, we conducted a Programmatic Environmental Assessment (PEA) in 2013,

which was prepared in accordance with the National Environmental Policy Act (NEPA). The PEA analyzed potential environmental impacts that could result from the force reductions, including socioeconomic impacts at specified population loss thresholds. Since the Army's Active component end-strength and corresponding force structure will decline further than 490,000 to 450,000 by fiscal year 2018, the Army initiated a supplemental PEA (SPEA) in February 2014 to analyze additional potential population loss scenarios that accounted for the impacts of full sequestration and Budget Control Act funding levels in fiscal year 2016 and beyond. Following publication of the Finding of No Significant Impact (FONSI), the Army is in the process of conducting approximately 30 community listening sessions at all Army installations with military and civilian populations of 5,000 or more. The community listening sessions, which are a separate action from the SPEA process, give communities an opportunity to contribute feedback that will be taken into consideration by Army leaders before decisions are made on force structure reductions for specific installations.

#### FACILITY CAPACITY ANALYSIS

As the Army reorganizes to address these reductions, we must gauge the facility capacity and facility mix that we require to support a ready and resilient Army. We have begun conducting a facility capacity analysis to determine how much excess capacity will be created at the aggregate or enterprise level by the decrease in our end strength and corresponding force structure.

We have conducted programmatic analyses of real property needed to support an end-strength and corresponding force structure of 490,000 Active component soldiers. Results show that with 490,000 Active component soldiers, we will have nearly 18 percent excess capacity across our worldwide installations, totaling over 160 million square feet of facilities that could be repurposed to serve a wide variety of other uses (including satisfying other Army facility requirements). Inside the United States, excess capacity ranges between 12 and 28 percent, depending on facility category group, with an average of approximately 18 percent.

The Army estimates it costs \$3 per square foot each year to maintain underutilized facilities. Accordingly, it costs the Army over \$480 million a year to operate and sustain worldwide excess capacity. Additional excess capacity will be created when the Active component shrinks further, necessitating incremental facility capacity analyses.

In January 2013, the Secretary of Defense directed a thorough review of European infrastructure requirements. This effort is consistent with the congressional direction communicated in the fiscal year 2014 National Defense Authorization Act. In May 2014, the first set of decisions resulting from the European Infrastructure Consolidation (EIC) analysis was released. The Secretary of Defense approved 22 actions, 13 of which were Army actions. Many of these actions had been underway prior to EIC, yet they were formally reevaluated and found to be wholly consistent with the intent of EIC: to reduce excess infrastructure and associated operating costs, without sacrificing operational capabilities.

In January 2015, the Department of Defense announced 26 additional decisions, 20 of which were Army actions, which resulted from a rigorous analytic method that adapted elements of the Base Closure and Realignment (BRAC) process to an overseas environment. This analysis included a Capacity Analysis, a Military Value Analysis, and a structured Scenario Development and Evaluation process. The Army is now nearing completion of fully developed and coordinated business plans to ensure these decisions are implemented between 2016 and 2020, in a manner that conforms to the Secretary of Defense's guidance and achieves both the projected savings and infrastructure reductions.

The 33 Army EIC actions will significantly reduce our infrastructure in Europe at a considerably faster pace than previously envisioned. They are projected to yield Annual Recurring Savings of \$163 million by fiscal year 2021 after implementation costs of \$358 million are incurred between fiscal year 2014 and 2020.

The use of BRAC methods and tools to evaluate our European infrastructure was helpful in building expertise and proficiency that will help prepare the Army for a future BRAC Round. Moreover, the rigor of the analysis helped to demonstrate that DOD has reduced, or identified for reduction, all that it can overseas, and must now look to seek reductions within the United States, for which new BRAC authority is essential. This authority is needed to eliminate excess, balance infrastructure and force structure, and operate within projected fiscal constraints. The DOD and the Army have the tools and authorities needed to identify and reduce our excess capacity overseas. Inside the United States, however, the best and proven method to ad-

dress excess infrastructure, in a cost-effective, transparent, and equitable manner, is through the BRAC process.

Our evaluation of European infrastructure followed the BRAC analytic methods and laid the foundation for the next round of BRAC. BRAC is a proven, fair, and cost effective process; the savings have been validated by the Government Accountability Office (GAO). Similar to our EIC effort, the Army is committed to a future BRAC round that is focused on efficiency and consolidation rather than transformation.

The Army needs BRAC to achieve savings of a sufficient magnitude to prevent the deterioration of our critical infrastructure. As the Army's end-strength and force structure decline alongside available funding, hundreds of millions of scarce dollars will be wasted in maintaining underutilized buildings and infrastructure. Trying to spread a smaller budget over the same number of installations and facilities will inevitably result in rapid declining conditions of Army facilities.

The Army has used existing authorities to vacate leased space and move from temporary buildings into permanent buildings. For example, at Fort Campbell, Kentucky, when the Fourth BCT of the 101st Airborne Division was inactivated, it resulted in 228 facility reallocation moves affecting 5 different Brigades. At the end of the process, Fort Campbell vacated and removed 91 relocatable buildings consisting of over 200,000 Square Feet.

As laudable as the Fort Campbell efficiency measures have been, however, the stark budgetary reality is that modest savings from these prudent efficiency measures cannot substitute for the significant savings of a new BRAC round. The cost of running a garrison is relatively fixed, regardless of whether the supported population is reduced by 10, 20, or 40 percent. The Army must continue to evaluate, balance, and right-size the diverse and extensive supporting infrastructure that enables our effective fighting forces. BRAC is the only proven authority that allows the Army to achieve this balance, reduce costs, and achieve the necessary savings.

For many communities near our installations, BRAC is better than proceeding with the reduction of force structure and excess capacity under current law. It provides the impacted communities a chance to conduct comprehensive redevelopment planning with Federal resources to assist them. It also can provide the community additional property conveyance options. Neither the Army nor the supporting communities benefit from retaining underutilized installations that are unaffordable for the Army with diminished economic benefit to the community.

#### FACILITY INVESTMENT STRATEGY (FIS)

As the Army shapes the Force of 2025 and Beyond through a series of strategic initiatives, the Installation Management Community continues to focus on providing quality, energy-efficient facilities in support of the Army Leadership priorities.

The FIS provides a strategic framework that is synchronized with the Army Campaign Plan (ACP); Total Army Analysis; and the Planning, Programming, Budgeting & Execution (PPBE) to determine capital investment needed to sustain Army facilities at installations and Joint Service bases across the country. The FIS is a cost-effective and efficient approach to facility investments that reduces unneeded footprint, saves energy by preserving efficient facilities, consolidates functions for effective space utilization, demolishes failing buildings, and uses appropriate excess facilities to eliminate off-post leases.

FIS uses MILCON funding to replace failing facilities and build out critical facility shortages; Operation and Maintenance (O&M) funding to address the repair and maintenance of existing facilities; O&M Restoration and Modernization (R&M) funding to improve existing facility quality; O&M Sustainment funding to maintain existing facilities; and Demolition and Disposal funding to eliminate failing excess facilities. Focused investments from MILCON and O&M funding support facilities grouped in the following categories: Redeployment/Force Structure, Barracks, Revitalization, Ranges, and Training Facilities. The fiscal year 2016 budget request implements the FIS by building out shortfalls for unmanned aerial vehicle units, Army Cyber, initial entry training barracks, selected maintenance facilities, and Reserve component facilities. Additional departmental focus areas include Organic Industrial Base and Energy/Utilities.

#### FISCAL YEAR 2016 BUDGET REQUEST

##### MILITARY CONSTRUCTION, ARMY

The fiscal year 2016 Military Construction, Army (MCA) budget requests an authorization of \$609 million and appropriations for \$743.2 million. The appropriations request includes \$134.2 million for planning and design, minor military construc-

tion, and host nation support. The MCA program is focused on the MILCON categories of Army Cyber, Barracks, Revitalization, Ranges and Training Facilities, and Other Support Programs.

Of the \$743.2 million, \$90 million will be spent on Army Cyber. The fiscal year 2016 MCA budget requests a Command and Control Facility for the recently-established Army Cyber Command (ARCYBER) and Joint Forces Headquarters Cyber at Fort Gordon, Georgia.

Of the \$743.2 million, \$56 million will be spent on Barracks. As part of the Army's continued investment in barracks, the fiscal year 2016 MCA budget provides for one project to complete a Reception Barracks Complex at Fort Sill, Oklahoma, which includes 254 barracks spaces and company operations facilities for Initial Entry Training (IET) soldiers during their in-processing.

Of the \$743.2 million, \$397.6 million will be spent on Revitalization. As part of the Army's Facility Investment Strategy, the Army is requesting eight projects to address failing facilities and/or critical facility shortfalls to meet the unit mission requirements. Projects include the \$43 million Homeland Defense Operation Center at Joint Base San Antonio, Texas; a \$70 million Waste Water Treatment Plant at West Point, New York; a \$37 million Instruction Building at Joint Base Myer-Henderson Hall, Virginia; a \$85 million Powertrain Facility (Infrastructure/Metal) at Corpus Christi Army Depot, Texas; a \$98 million replacement of Pier #2 at the Military Ocean Terminal Concord, California; a \$7.8 million Physical Readiness Training Facility at Fort Greely, Alaska; a \$5.8 million Rotary Wing Taxiway at Fort Carson, Colorado; and a \$51 million Vehicle Maintenance Shop at Grafenwoehr Training Area, Germany.

Of the \$743.2 million, \$65.4 million will be spent on Ranges and Training Facilities. These funds will be invested to construct a Non-Commissioned Officer (NCO) Academy at Fort Drum, New York (\$19 million) as well as two new Training Support Facilities. These facilities are located at Fort Sill, Oklahoma (\$13.4 million) and Fort Lee, Virginia (\$33 million) to meet Program of Instruction (POI) training requirements for soldiers, non-commissioned officers and junior officers undergoing Military Occupational Specialty training.

Of the \$743.2 million, \$134.2 million will be spent on Other Support Programs. This includes \$73.2 million for planning and design of MCA projects, \$36 million for the oversight of design and construction of projects funded by host nations, and \$25 million for unspecified minor construction.

#### MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

The fiscal year 2016 Military Construction, National Guard (MCNG) budget requests an authorization of \$132.1 million and appropriations for \$197.2 million. The appropriations request includes \$35.3 million for planning and design and minor military construction and \$29.8 million for previously-authorized projects at Dagsboro, Delaware (\$10.8 million) and Yakima, Washington (\$19 million). The MCNG program is focused on the readiness centers, maintenance facilities, training facilities, ranges and barracks.

Of the \$197.2 million, \$88.3 million will be spent on Readiness Centers. The fiscal year 2016 budget request includes five readiness centers: Palm Coast, Florida (\$18 million); Easton, Maryland (\$13.8 million); Salem, Oregon (\$16.5 million); Richmond, Virginia (\$29 million); and Camp Hartell, Connecticut (\$11 million). The readiness centers include new facilities as well as expansions/alterations to existing facilities. The projects primarily address space shortfalls and replacement of obsolete facilities. In one case, the project will eliminate the need to continue leasing a facility. The new readiness centers will enhance the Army National Guard's readiness to perform state and Federal missions.

Of the \$197.2 million, \$26.7 million will be spent on Maintenance Facilities. Three National Guard maintenance shops are included in the request. The Dagsboro, Delaware facility (\$10.8 million) addresses shortfalls in interior space, privately-owned vehicle parking, and military vehicle parking. A project in North Hyde Park, Vermont (\$7.9 million) adds space to an existing facility that only has 22 percent of the required space. One final addition/alteration project is located in Reno, Nevada (\$8 million) and will address space shortfalls and modernize the existing facility.

Of the \$197.2 million, \$16 million will be spent on Training Facilities. At Fort Indiantown Gap, Pennsylvania, a new training aids center (\$16 million) replaces a deteriorated World War Two-era facility and other temporary storage.

Of the \$197.2 million, \$11.9 million will be spent on Ranges. The Army National Guard's request contains four range projects. Two range projects are located in Salina, Kansas and consist of an automated combat pistol/military police firearms

qualification course (\$2.4 million) and a modified record fire range (\$4.3 million). Both of these ranges are necessary in order to meet current training range criteria and achieve the required throughput. The range project at Camp Ravenna, Ohio, a modified record fire range (\$3.3 million), will provide needed capacity for unit training. In Sparta, Illinois a basic firing range (\$1.9 million) will address the lack of this type of facility in south central Illinois.

Of the \$197.2 million, \$19 million will be spent on Barracks facilities. At Yakima, Washington, a new transient training barracks (\$19 million) addresses a shortfall in space and quality.

Of the \$197.2 million, \$35.3 million will be spent on Other Support Programs. The fiscal year 2016 Army National Guard budget request includes \$20.3 million for planning and design of future year projects and \$15 million for unspecified minor military construction.

#### MILITARY CONSTRUCTION, ARMY RESERVE

The fiscal year 2016 Military Construction, Army Reserve (MCAR) budget requests an authorization of \$88.2 million and appropriations for \$113.6 million. The appropriations request includes \$16.1 million for planning and design and minor military construction and \$9.3 million for a previously-authorized project at Starkville, Mississippi.

Of the \$113.6 million, \$97.5 million will be spent on Revitalization. The fiscal year 2016 Army Reserve budget request includes five projects that build out critical facility shortages and replace and modernize failing infrastructure and inefficient facilities with new operations and energy efficient facilities. The Army Reserve will construct three new reserve centers in Riverside, California; MacDill AFB, Florida; and Starkville, Mississippi that will provide modern training classrooms, simulations capabilities, and maintenance platforms that support the Army force generation cycle and the ability of the Army Reserve to provide trained and ready soldiers for Army missions when called. The Starkville, Mississippi project was authorized in the fiscal year 2015 National Defense Authorization Act, but no funds were appropriated. In Conneaut Lake, Pennsylvania the Army Reserve, through the Defense Access Roadway program, will improve an access road leading to an Army Reserve Local Training Area and maintenance facilities. The request also includes a new vehicle maintenance facility at Orangeburg, New York.

Of the \$113.6 million, \$16.1 million will be spent on Other Support Programs. The fiscal year 2016 Army Reserve budget request includes \$9.3 million for planning and design of future year projects and \$6.8 million for unspecified minor military construction to address unforeseen critical needs.

#### ARMY FAMILY HOUSING

The Army's fiscal year 2016 AFH budget requests \$493.2 million for construction and housing operations worldwide. The AFH inventory includes 10,614 Government-owned homes, 4,984 Government-leased homes, and 86,077 privatized-homes. The Army has privatized over 98 percent of on-post housing assets inside the United States. All Army overseas family housing quarters are either Government-owned or Government-leased units.

Of the \$493.2 million, \$85.8 million will be spent on Operations. The Operations account includes four sub-accounts: management, services, furnishings, and a small miscellaneous account. Within the management sub-account, Installation Housing Services Offices provide post housing, non-discriminatory listings of rental and for-sale housing, rental negotiations and lease review, property inspections, home buying counseling, landlord-tenant dispute resolution, in-and-out processing housing assistance, and assistance with housing discrimination complaints and act as a liaison between the installation and local and State agencies. In addition, this account supports remote access to housing information from anywhere in the world with direct information or links to garrison information such as schools, relocation information, installation maps, housing floor plans, photo and housing tours, programs and services, housing wait list information, and housing entitlements.

Of the \$493.2 million, \$65.6 million will be spent on Utilities. The Utilities account includes the cost of delivering heat, air conditioning, electricity, water, and wastewater support for owned or leased (not privatized) family housing units.

Of the \$493.2 million, \$75.2 million will be spent on Maintenance and Repair. The Maintenance and Repair account supports annual recurring projects to maintain and revitalize AFH real property assets and is the account most affected by budget changes. This funding ensures that we appropriately maintain the 10,614 housing units so that we do not adversely impact soldier and family quality of life.

Of the \$493.2 million, \$144.9 million will be spent on Leasing. The Army Leasing program is another way to provide soldiers and their families with adequate housing. The fiscal year 2016 budget request includes funding for 575 temporary domestic leases in the United States, and 4,409 leased units overseas.

Of the \$493.2 million, \$22 million will be spent on Privatization. The Privatization account provides operating funds for the Army's Residential Communities Initiatives (RCI) program portfolio and asset management and Government oversight of privatized military family housing. The need to provide oversight of the privatization program and projects is reinforced in the fiscal year 2013 National Defense Authorization Act, which requires more oversight to monitor compliance, review, and report performance of the overall privatized housing portfolio and individual projects.

In 1999, the Army began privatizing family housing assets under the Residential Communities Initiative (RCI). All scheduled installations have been privatized through RCI. RCI family housing is established at 44 locations—98 percent of the on-post family housing inventory inside the United States. Initial construction and renovation investment at these 44 installations is estimated at \$13.2 billion over a 3-14-year initial development period (IDP), which includes an Army contribution of approximately \$2 billion. All IDPs are scheduled to be completed by 2019. From 1999 through 2013, our RCI partners have constructed 31,935 new homes and renovated another 25,834 homes.

Of the \$493.2 million, \$99.7 million will be spent on Construction. The Army's fiscal year 2016 Family Housing Construction request is for \$89 million for new construction, \$3.5 million for construction improvements and \$7.2 million for planning and design. The Army will construct 38 single family homes at Rock Island Arsenal, Illinois to support senior officer and senior non-commissioned officer and families. These new homes enable the Army to fully address the housing deficit and to eliminate dependency on leased housing. The Army will construct 90 apartment quarters on Camp Walker in Daegu, Korea to replace aged and worn out leased units to consolidate families on post.

#### BASE CLOSURE ACCOUNT (BCA)

BRAC property disposal remains an Army priority. Putting excess property back into productive re-use, which can facilitate job creation, is important to the communities in which they are located.

The Army's portion of the fiscal year 2016 BCA budget request totals \$29.7 million. The request includes \$14.6 million for caretaker operations and program management of remaining properties and \$15.1 million for environmental restoration efforts. In fiscal year 2016, the Army will continue environmental compliance and remediation projects at various BRAC properties. The funds requested are needed to keep planned environmental response efforts on track particularly at legacy BRAC installations including Fort Ord, California and Pueblo Chemical Depot, Colorado. Additionally, funds requested support environmental projects at several BRAC 2005 installations including Riverbank Army Ammunition Plant, California; Fort Monmouth, New Jersey; Fort Monroe, Virginia; and Umatilla Chemical Depot, Oregon. The current estimated cost to complete all BRAC environmental cleanup requirements is \$957 million over a period of approximately 30 years.

When the Army sells excess BRAC property, proceeds go back into our Base Closure Account to fund remaining Army environmental and maintenance requirements on our BRAC sites. Sales of Army BRAC property at substantially fair market value help protect programs that support Active, Guard, and Reserve installations.

In total, the Army has disposed of almost 225,000 acres (76 percent of the total acreage disposal requirement of 297,000 acres), with approximately 72,000 acres (24 percent) remaining. The current goal is for all remaining excess property to be conveyed by 2023. Placing this property into productive reuse helps communities rebuild the local tax base, generate revenue, and, most importantly, replace lost jobs.

There is life after BRAC for defense communities. BRAC-impacted communities have leveraged planning grants and technical assistance from the DOD Office of Economic Assistance (OEA), as well as BRAC property disposal authorities, to adjust in ways that are often not possible outside the BRAC process. There are many instances of how BRAC property has been put to new uses; below are three examples.

At Fort Monmouth, transferred property is now in productive re-use. During November 2014, CommVault, a data protection and information software company moved its global headquarters to a portion of the former Fort Monmouth. CommVault moved 500 existing employees and 400 new employees into the new

275,000 square foot facility less than 2 years after the Army conveyed a 55 acre parcel to the public development authority in consideration for an Economic Development Conveyance under BRAC law. CommVault officials anticipate 2,000 additional employees will be hired upon completion of a 650,000 square foot addition to the 55 acre campus. The company's decision to re-locate and expand at its new location is a major step to establish a technology hub on the former Fort Monmouth.

At Fort Gillem, Kroger, one of the world's largest grocery retailers, will open a one million square foot state-of-the-art distribution center on 253 acres at the former Fort Gillem, creating 120 new jobs and investing more than \$175 million into the former Army and Air Force Exchange Service (AAFES) distribution facility over the next 5 years. The new jobs will include warehouse, security, transportation management, engineering and facilities management positions. The community anticipates 1,500 new jobs over the next 2 years and revenues to support critical services for the residents of Forest Park. Like Fort Monmouth, the Army conveyed this property to the Local Redevelopment Authority as an Economic Development Conveyance, receiving \$15 million at closing with an additional \$15 million in structured payments over the next 7 years.

The third BRAC example is the US Army Reserve Center #2 in Houston, Texas. This six acre site, including more than 15,000 square feet, was conveyed in August 2012 to the City of Houston under a Department of Justice Public Benefit Conveyance (PBC) for use as a police department. This type of re-use is common across the country whenever the Army closes a Reserve Center.

#### ENERGY

The Army is improving our installation energy use and sustainability efforts. In fiscal year 2016, the Installation Energy budget total is \$1.68 billion. This budget total includes \$45.8 million from the DOD-wide MILCON appropriation for the Energy Conservation Investment Program (ECIP), \$150.1 million for the Energy Program/Utilities Modernization Program, and \$1.48 billion for Utilities Services. The Army conducts financial reviews, business case and life cycle cost analysis, and return on investment evaluations for all energy initiatives.

Of the \$1.68 billion, \$45.8 million will be spent on the Energy Conservation Investment Program (ECIP). The Army invests in energy efficiency, on-site small-scale energy production, and grid security through the DOD's appropriation for ECIP. In fiscal year 2014, the DOD began conducting a project-by-project competition to determine ECIP funding distribution to the Services. In fiscal year 2016, the Army received \$45.8 million for seven projects, including six energy conservation projects and one renewable energy project.

Of the \$1.68 billion, \$150.1 million will be spent on Energy Program/Utilities Modernization. Reducing consumption and increasing energy efficiency are among the most cost-effective ways to improve installation energy security. The Army funds many of its energy efficiency improvements through the Energy Program/Utilities Modernization program account. Included in this total are funds for energy efficiency projects, the Army's metering program, modernization of the Army's utilities, energy security projects, and planning and studies. In addition, this account funds planning and development of third party financed renewable energy projects through the Office of Energy Initiatives (OEI). The OEI currently has 14 projects completed, under construction, in the procurement process, or in the final stages before procurement with a potential of over 400 Mega Watts (MW) of generation capacity. Power purchased in conjunction with OEI projects will be priced at or below current or projected installation utility rates.

Of the \$1.68 billion, \$1.48 billion will be spent on Utilities Services. The Utilities Services account pays all Army utility bills including the repayment of Utilities Privatization (UP), Energy Savings Performance Contracts (ESPCs), and Utilities Energy Service Contracts (UESCs). Through the authority granted by Congress, ESPCs and UESCs allow the Army to implement energy efficiency improvements through the use of private capital, repaying the contractor for capital investments over a number of years out of the energy cost savings. The Army has the most robust ESPC program in the Federal Government. The ESPC program has more than 200 Task Orders at 78 installations, representing \$1.68 billion in private sector investments, and over 370 UESC Task Orders at 47 installations, representing \$583 million in utility sector investments. We have additional ESPC projects in development, totaling over \$300 million in private investment and \$60 million in development for new UESCs. From December 2011 through December 2014, under the President's Performance Contracting Challenge, the Army executed \$725 million in contracts with third-party investment using ESPCs and UESCs.

## ENVIRONMENT

The Army's fiscal year 2016 budget provides \$1.1 billion for environmental programs in support of current and future readiness. This budget supports legally-driven environmental requirements under applicable Federal and State environmental laws, binding agreements, and Executive Orders. It also promotes stewardship of the natural resources that are integral to our capacity to effectively train our land-based force for combat.

This budget maintains the Army's commitment to acknowledge the past by restoring Army lands to a useable condition and by preserving cultural, historic and tribal resources. It allows the Army to engage the present by meeting environmental standards that enable Army operations and protect our soldiers, families, and communities. Additionally, it charts the future by allowing the Army to institutionalize best practices and technologies to ensure future environmental resiliency.

## SUSTAINMENT/RESTORATION &amp; MODERNIZATION (R&amp;M)

This year's fiscal year 2016 sustainment funding is \$2.9 billion or 80 percent of the DOD Facilities Sustainment Model (FSM) requirement for all the Army components. Due to this lower level of sustainment funding, we are accepting a level of risk in degraded facilities due to deferred maintenance. Our facility inventory is currently valued at \$299 billion.

In keeping with the FIS, the Army continues to invest in facility restoration through O&M R&M currently budgeted for \$562 million. Our focus is to restore trainee barracks, enable progress toward energy objectives, and provide commanders with the means of restoring other critical facilities. The Army's demolition program has been increased by 46 percent to \$42.2 million, which increases the rate at which we are removing failing excess facilities. Facilities are an outward and visible sign of the Army's commitment to providing a quality of life for our soldiers, families, and civilians that is consistent with their commitment to our Nation's security.

## BASE OPERATIONS SUPPORT

The Army's fiscal year 2016 Base Operations Support (BOS) request is \$9.2 billion in support of leadership's commitment to provide quality of life to our soldiers, civilians, and families that is commensurate with their service. The fiscal year 2016 BOS funding request represents a 10 percent reduction compared to fiscal year 2014 full year execution (including OCO authorized in support of Base Budget). It should be noted that the fiscal year 2016 BOS budget reflects a 6 percent increase above the fiscal year 2015 BOS-enacted level (\$8.7 billion), demonstrating senior leadership's desire to address installation readiness. Although the military and civilian workforce is being reduced, the number of installations remains the same. Balancing the BOS funding across 154 installations world-wide stresses the Army's ability to provide a safe training environment and a respectable quality of life on our installations. The Army will continue to be fiscally challenged to meet the demands of our installation communities.

The Army remains committed to our family programs and continues to evaluate these services in order to maintain relevance and effectiveness. Ensuring the resiliency of our soldiers and families is the priority of programs such as the Army Substance Abuse Program, Soldier Family Assistance Centers, and Suicide Prevention.

Given fiscal realities, the Army continues to evaluate programs to fully optimize resources by eliminating redundant or poorly performing programs and making tough decisions to adjust service levels and then manage expectations. We continue to seek internal efficiencies/tradeoffs as our fiscal environment forces the internal realignment of BOS funds to support these Army priorities.

Budget uncertainties are producing real life consequences in training and installation readiness, as well as the local community. Current funding requires installations to scale back or cancel service contracts that employ people in local communities and requiring installations to work with commanders to use special duty assignments to support installation services and programs (e.g., installation security, transportation, vehicle and range maintenance, POL and Ammo handling).

Without a reduction in the number of installations, the Army will be forced to sacrifice quality of life programs at the expense of maintaining excess capacity. The cumulative effect of funding reductions over the years harm the overall quality of life on our installations and adjoining communities as the Army realigns our military and civilian population and reduces supporting service program contracts across the garrisons.

## INTERGOVERNMENTAL SUPPORT AGREEMENTS

The Army is implementing an overarching strategy to incorporate Intergovernmental Support Agreements (IGSAs) as authorized in the fiscal year 2013 NDAA, Section 331 (codified as 10 U.S.C. §2336). The clarification included in the fiscal year 2015 NDAA facilitates the Army's ability to enter and participate in public-public partnerships. The Department of the Army issued an Execution Order to Army Commands in August of 2013 with initial guidance. Installations have identified 96 IGSA concepts, three of which have been submitted to Army headquarters for approval. These initial proposals will assist the Army to develop a standardized process for identifying, evaluating and approving IGSAs. Further guidance is being developed from the clarifications provided last year.

## CONCLUSION

The Army's fiscal year 2016 installations management budget request is a balanced program that supports the Army as we transition from combat, and it supports our soldiers, families, and civilians while recognizing the current fiscal conditions.

The Army's end-strength and force structure are decreasing consistent with the 2014 QDR. At 450,000 Active component soldiers, we have evidence that the Army will have well over 18 percent excess capacity. The Army needs the right tools to right size our capacity. Failure to reduce excess capacity will divert hundreds of millions of dollars per year away from critical training and readiness functions.

The European Infrastructure Consolidation Assessment (EIC) has been extremely successful. It shows that the combination of our Army BRAC-based Infrastructure Analysis and the already robust strategic plans effort of the U.S. Army in Europe prepare us to meet the challenges of the future. The European Infrastructure Consolidation results demonstrate the Army's commitment to seek greater efficiencies and ensure we are focusing resources where they can have the greatest effect. The resulting actions ensure, even in the context of a challenging fiscal environment, that we are ready and able to defend U.S. interests and meet our commitment to our Allies now and in the future.

BRAC is a proven and fair means to address excess capacity. BRAC has produced net savings in every prior round. On a net \$13 billion investment, the BRAC 2005 round is producing a net stream of savings of \$1 billion a year. In this case, BRAC 2005 is producing a 7.7 percent annual yield. That is a successful investment by any definition. A future round of BRAC is likely to produce even better returns on investment. We look forward to working with Congress to determine the criteria for a BRAC 2017 round.

Thank you for the opportunity to appear before you today and for your continued support for our soldiers, families, and civilians.

Senator KIRK. Ms. Kern.

## DEPARTMENT OF THE NAVY

**STATEMENT OF ERIN M. KERN, SES, DIRECTOR, SHORE READINESS DIVISION, DEPUTY CHIEF OF NAVAL OPERATIONS (FLEET READINESS AND LOGISTICS), OFFICE OF THE CHIEF OF NAVAL OPERATIONS**

Ms. KERN. Chairman Kirk, Ranking Member Tester, and distinguished members of the subcommittee, thank you for this opportunity to testify on the Navy's fiscal year 2016 military construction budget request.

The Navy's shore infrastructure is critical to our mission success. Our 70 installations worldwide enable the Navy's operational readiness and are essential to the quality of life of our sailors, civilians, and their families. But the cumulative effect of budget shortfalls over the last several years has compelled the Navy to reduce funding in shore infrastructure to preserve the operational readiness of our fleet.

As a result, many of our shore facilities are degrading at an accelerated rate. At sequestration levels, this risk would be exacerbated and the condition of our shore infrastructure, including piers,

runways, and mission-critical facilities, will further erode. We will run a great risk of mishaps, serious injury, and health hazards to personnel.

Sequestration in fiscal year 2013 was not just a disruption. It resulted in significant consequences, both afloat and ashore, and we have not yet recovered. A return to sequestration in 2016 would cause the Navy to revisit and revise our entire strategy.

In light of funding shortfalls over the last 3 years, the fiscal year 2016 President's budget request represents the absolute minimum we need to execute the Nation's defense strategy.

Navy's fiscal year 2016 military construction program includes 38 projects valued at almost \$1 billion to invest in our infrastructure worldwide. We have prioritized funding to enable IOC of new platforms, such as LCS, P-8A, F-35C, MH-60, and MQ-4C, through the construction of hangars, mission control centers, and various support and training facilities.

We are also supporting combatant commander requirements by constructing a land-based Aegis site in Poland and upgrading port facilities in Bahrain.

A portion of MILCON funds will recapitalize infrastructure in three naval shipyards and improve the resiliency of utility systems at seven bases. Three projects will improve the quality of life for our sailors and their families by addressing unaccompanied housing issues in Florida and Maryland, and constructing a new child development center in Japan.

Our 2016 budget request funds the sustainment, restoration, and modernization of our facilities only enough to arrest the immediate decline and condition of our most critical infrastructure. As a result, we will prioritize our funding to address life, health, and safety issues, and to repair the most essential components of our mission-critical facilities.

Our facilities are degrading and our maintenance backlog is increasing. We understand this backlog must eventually be addressed, but we simply cannot afford to do so at this time. We will continue to carefully and deliberately manage the risk we are taking in our shore enterprise.

The Navy's 70 installations worldwide, and the men and women who operate them, are key enablers to our Navy's warfighting readiness.

Thank you for supporting our shore readiness programs and for the opportunity to testify today. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF ERIN M. KERN

Chairman Kirk, Ranking Member Tester and distinguished members of the subcommittee, I am honored to appear before you representing the dedicated sailors and civilian workforce of the United States Navy. I appreciate the opportunity to testify about our Navy's shore infrastructure, which enables our operational and combat readiness and is essential to the quality of service for our sailors, civilian employees, and their families.

Our shore infrastructure is critical to the Navy's mission success. Seventy installations across 11 regions provide the foundation for training and preparing our sailors. Nevertheless, to comply with today's fiscal constraints, we are compelled to continue accepting risk in shore infrastructure investment and operations to preserve the operational readiness of our Fleet.

## IMPACT OF SEQUESTRATION ON SHORE READINESS

For the last 3 years, the Navy has been operating under reduced top-line budgets that generate capability shortfalls amounting to \$25 billion less than the President's budget requests. Sequestration deeply affected the Navy budget in fiscal year 2013 and we have not yet recovered. Stabilized funding in fiscal year 2014 and 2015 provided by the Bipartisan Budget Act of 2013, along with an additional \$2.2 billion above Navy's requested budget in fiscal year 2015, provided limited relief from sequestered Budget Control Act of 2011 (BCA) funding levels and helped Navy's overall posture.

The cumulative effect of budget shortfalls since fiscal year 2013 compelled the Navy to reduce funding in shore readiness to preserve the readiness of our operational Fleet. As a result, many of our shore facilities are degrading. The possibility of future sequestration exacerbates this risk and the condition of our shore infrastructure, including piers, runways, and mission-critical facilities, will likely erode further. This situation may lead to structural damage to our ships while pierside, aircraft damage from foreign object ingestion on deteriorated runways, and degraded communications within command centers. We run a greater risk of mishaps, serious injury, or health hazards to personnel.

## MILITARY CONSTRUCTION

The President's budget request for 2016 (PB 2016) Military Construction (MILCON) program includes 38 projects valued at nearly \$1 billion to invest in our worldwide infrastructure, which is a 30 percent increase over fiscal year 2015 levels and brings Navy back to our historical MILCON funding levels. We focus our MILCON investments on meeting new platform and system requirements in accordance with our global Strategic Laydown Plan, supporting Combatant Commander operational requirements, recapitalizing Naval Shipyards, modernizing utilities systems, upgrading critical infrastructure, and supporting Quality of Life programs for our sailors and their families.

Approximately one-third of our MILCON program is dedicated to enabling the Initial Operating Capability of new platforms. Our PB 2016 program:

- Constructs a P-8A Poseidon detachment support facility in Hawaii, a maintenance hangar with support facilities in Italy, and a high-security building addition for the Advanced Airborne Sensor system in Florida,
- Renovates hangars in California and outfits secure space for an Operational Trainer in Japan for the E-2D Advanced Hawkeye early warning and control aircraft,
- Constructs training facilities and expands hangars at the West Coast home base for F-35Cs in Lemoore, California,
- Constructs a Mission Control System facility in Florida, a hangar and operations facility in Italy, and space for a trainer in California for MQ-4C Triton high endurance unmanned aerial vehicles,
- Builds a new Maritime Surveillance Systems Facility in Virginia that will expand our ability to operate, maintain and test surveillance systems that perform data collection and dissemination for the Fleet, and
- Constructs a Littoral Combat Ship (LCS) mission module readiness center in Mayport and converts warehouse space into an operational support facility for LCS shore-based operations in San Diego.

Our MILCON program also supports Combatant Commander requirements by constructing a land-based Aegis Ashore Missile Defense Complex site in Poland in support of European Phased Adaptive Approach. The Poland site will complement our Aegis Ashore site in Romania, which will achieve initial operational capability by the end of this year. In the Middle East we are upgrading port facilities and constructing a new Ship Maintenance Support Facility in Bahrain. We are also providing secure space for carrier air wing facilities funded by the Government of Japan in Iwakuni.

Naval Shipyards and depots are critical to maintaining the warfighting readiness of our force. We will continue to prioritize investments to address the most critical safety and productivity deficiencies. To reduce CVN downtime, PB 2016 includes projects in Washington State to construct a nuclear regional ship maintenance support facility and to upgrade utilities and support structure at the only CVN-capable dry dock in the Pacific. Our budget submission also proposes to repair waterfront utility systems at Norfolk Naval Shipyard in Virginia and consolidate welding school shops in Hawaii. These MILCON projects, combined with other facilities projects and equipment investment, enable the Department to exceed the minimum 6 percent investment in Naval Shipyards and Depots described in 10 USC 2476,

achieving a projected 7.4 percent investment in fiscal year 2016. Additionally, in fiscal year 2015, the Department is on track to exceed the target with a projected 6.3 percent investment. We appreciate the committee's support as we continue to invest in our shipyard infrastructure.

PB 2016 makes significant investments in improving the reliability, efficiency and security of our utilities systems and support infrastructure. This investment, spanning seven different locations in the United States and Guam, is focused on increasing energy resiliency at our operational facilities, upgrading energy distribution systems, modernizing power grids and recapitalizing waste disposal/treatment systems.

To protect our critical infrastructure, PB 2016 includes waterfront upgrades in Washington State to meet security requirements for our strategic weapons and construction of a modern, secure, consolidated communications center in Virginia.

An improvement over last year's program, PB 2016 includes three projects to improve the quality of life for our sailors and their families. New unaccompanied housing will be constructed for sailors stationed at Naval Air Station Patuxent River, Maryland, and A-school students at Navy Technical Training Center Corry Station, Florida. PB 2016 also includes the construction of a new child development center to increase our child development capacity in Yokosuka, Japan.

Finally, we are funding the relocation of a reserve center from off-base leased space to a new on-base reserve training facility at Naval Air Station Fallon, Nevada.

#### BASE OPERATING SUPPORT AND FACILITY INVESTMENTS

As we operate our installations, PB 2016 maintains the Navy's commitment to adequately resource Fleet operations, sailor and family support programs, and child development. We continue to accept a deliberate level of risk in facility services, administrative support, and supply.

PB 2016 funds the sustainment, restoration, and modernization of our facilities only enough to maintain the overall condition of our most critical infrastructure for the short term. PB 2016 funds facility sustainment to 84 percent of the Department of Defense (DOD) model. Although this marks an improvement from the 70 percent programmed in PB 2015, Navy is still below the DOD goal for 90 percent facilities sustainment.

When restoring and modernizing our infrastructure, we prioritize life/safety issues and efficiency improvements to existing infrastructure and focus on repairing only the most critical components of our mission-critical facilities. By deferring less critical repairs, especially for non-operational facilities, we are allowing certain facilities to degrade and causing our overall facilities maintenance backlog to increase. We acknowledge that this backlog must eventually be addressed.

#### HOUSING

Our PB 2016 request supports Navy readiness by providing sailors and their families the opportunity for suitable, affordable and safe housing worldwide. We rely on our communities to house sailors and their families. Where options are not available in the local community, Navy provides housing through Government-owned housing, leased housing, or Public-Private Venture (PPV) housing projects.

Navy's PB 2016 Family Housing request provides oversight of nearly 40,000 PPV homes, funds the operation and maintenance of 7,500 Government-owned homes, leases about 1,800 units, and renovates 20 existing family homes in Wallops Island, Virginia. We continue to reap the benefits of family housing privatization with over 99 percent of Navy family housing in the continental United States and Hawaii privatized. For our Government-owned units, predominately located overseas, we continue to work toward meeting the DOD goal of bringing 90 percent of our units up to "adequate" condition, which means they are rated as a "1" or "2" on a 4-point scale. Navy's family housing inventory is currently 77 percent adequate and, at current funding levels, we will meet DOD's adequacy goal in 2021.

The Navy continues to manage housing for our unaccompanied Sailors within today's fiscal constraints. I am proud that we will complete our Homeport Ashore effort this year, meeting our goal of providing a bed ashore to each shipboard sailor while in homeport. In addition to our MILCON projects, we plan to renovate 10 barracks in fiscal year 2016 to work towards meeting the DOD goal of achieving 90 percent adequacy. Unfortunately, this level of investment is not sufficient to offset the steady degradation of facilities and improve the overall condition of our unaccompanied housing inventory. At current funding levels, Navy's unaccompanied housing will remain at approximately 50 percent adequacy.

## BASE CLOSURE AND REALIGNMENT (BRAC)

The Navy fully supports BRAC as a process to assess opportunities to properly align our domestic infrastructure with our evolving force structure and laydown. Under the previous BRAC efforts, the Navy has been able to realize approximately \$4.4 billion in annual recurring savings.

We appreciate the support of the Congress in providing additional fiscal year 2015 funds for environmental cleanup at BRAC properties. For fiscal year 2016, the Department has programmed \$157 million to continue cleanup efforts, caretaker operations, and property disposal. By the end of fiscal year 2014, we disposed of 93 percent of our excess property identified in previous BRAC rounds through a variety of conveyance mechanisms, with approximately 12,710 acres remaining. Of the original 131 installations with excess property, the Navy has 17 installations remaining with property to dispose.

Last year, the Department of Navy completed the transfer of 624 acres at Naval Station Alameda, California, to the Department of Veterans Affairs under a no-cost transfer. We also completed radiological surveys of over 700 residential housing units at Naval Station Treasure Island and signed a Development Conveyance with Treasure Island Development Authority to allow initial property transfers to begin in fiscal year 2015. We reduced our overall number of installations by four last year, completing final disposals at Naval Support Activity New Orleans, Louisiana, Naval Air Station Cecil Field, Florida, and Naval Reserve Centers in Akron, Ohio, and Reading, Pennsylvania.

Although cleanup and disposal challenges from prior BRAC rounds remain, we continue to work with regulatory agencies and communities to tackle complex environmental issues and provide creative solutions to support redevelopment priorities, such as Economic Development Conveyances with revenue sharing.

## CONCLUSION

The Navy will continue to carefully and deliberately manage the risk we are taking in our Shore enterprise, with the understanding that chronic underinvestment in our shore infrastructure takes a toll on our ability to support deploying forces. Our Shore infrastructure must be sustainable and resilient to changes in our operating environment and fiscal climate. Navy installations, and the men and women who operate them, are key enablers to our Navy's warfighting readiness. Thank you again for your steadfast support of Navy's shore readiness programs and your personal commitment to our sailors, Navy civilian workforce and their families.

Senator KIRK. Mr. Clifton, let me ask you about Marine Corps needs.

**STATEMENT OF DAVID R. CLIFTON, SES, DEPUTY ASSISTANT DEPUTY COMMANDANT (FACILITIES, INSTALLATIONS AND LOGISTICS), AND DEPUTY COMMANDER, MARINE CORPS INSTALLATIONS COMMAND HEADQUARTERS, U.S. MARINE CORPS**

Mr. CLIFTON. Chairman Kirk, Ranking Member Tester, and distinguished members of the subcommittee, on behalf of the Commandant General Dunford and the thousands of marines, sailors, and hardworking civilians and their family members who depend on the resources provided by this subcommittee and the Congress, we thank you for your support.

The fiscal year 2016 Marine Corps military construction budget funds 22 projects at \$719 million and sustains support of 24 Marine Corps installations, 186 Reserve centers, and a variety of other activities on other service's installations, such as the Security Force Regiment at Yorktown, Virginia.

The primary mission of these installations is to provide a platform from which our marines deploy and from which they can conduct realistic training that is necessary for them to accomplish difficult missions and return home to their families safely.

Accordingly, our facility investment is prioritized to support training operations, new weapons systems, and force presence as required by the Defense Strategic Guidance.

The fiscal year 2016 budget also improves safety, security, environmental compliance, replaces a few aging infrastructure, and demolishes inadequate buildings that are no longer needed.

As far as trends are concerned, the commandant has already testified that the Marine Corps' first priority is to reinforce the near-term readiness capabilities needed by marines who are deployed. To accomplish that priority in fiscal year 2016, the Marine Corps must accept risk in our infrastructure and base operations, including our quality-of-life programs.

Although the fiscal year 2016 budget is better than the 2015 budget, funding remains insufficient to prevent accelerated deterioration of our 12,000 buildings, range complexes, barracks, and airfields.

By fiscal year 2020, given the current funding projections, marines will occupy over 2,500 inadequate, aged buildings with insufficient and failing systems.

The fiscal year 2016 budget does maintain all 1,300 houses that the Marine Corps owns in adequate condition. And due to the public-private housing venture, all 23,000 of those privatized houses are expected to remain in good condition.

In conclusion, your marines are the Nation's expeditionary force in readiness. We focus our resources on maintaining the readiness of our forward-deployed marines. Although our investment in the future, modernization, and in our infrastructure is less than what we believe is required, we will always be diligent stewards of the assets provided us, as typified by our recent success in obtaining a clean audit opinion.

Thank you for the time and the opportunity to speak on behalf of our marines and our sailors and their family members, and also the thousands of hardworking civilians who support them.

[The statement follows:]

#### PREPARED STATEMENT OF DAVID R. CLIFTON

Chairman Kirk, Ranking Member Tester, and distinguished members of the subcommittee, I appreciate the opportunity to discuss the Marine Corps' facilities infrastructure programs which are critical to our ability to train forces and be ready. Thanks to the strong support we have received in the past from Congress, the Marine Corps has been able to make great improvements in the quality and condition of facilities on our bases and stations.

Marine Corps bases and stations represent an irreplaceable national asset today and as far into the future as we can project. They are fundamental to combat readiness, particularly the pre-deployment training, launching, sustaining, and reconstituting of Marine operating forces. Additionally, those bases and stations are and will continue to be integral to the quality of life of marines, sailors, and their families through provision of a range of support facilities and related infrastructure.

The operation and maintenance of these installations as well as their future development and use require planning, wise investment, and sound execution. Numerous Marine-Corps wide efforts are underway to ensure Marine Corps installations are ready, responsive, and capable of meeting current and future support requirements of the Marine Corps force.

The Marine Corps has more than \$58 billion of facilities that are used to train, house, and provide quality of life for marines and their families. These facilities are used to perform mission-essential tasks and must be appropriately maintained. Adequately sustaining facilities is the highest facilities management priority.

#### IMPACT OF SEQUESTRATION

As the Commandant of the Marine Corps has stated in earlier testimony, the Marine Corps' share of fiscal year 2013 sequestration cuts, combined with a sustained high level of operations, will challenge our future ability to be the Nation's force-

in-readiness. The Marine Corps continues to evaluate long-term impacts of sequestration. The fiscal challenges we face today will be exacerbated and significant challenges will be forced on all the services if fiscal year 2016 sequestration reductions are implemented. Through thorough analysis, we have determined that the Marine Corps will assume significant risk in long-term modernization and infrastructure sustainment. Though the Marine Corps has made significant progress over the last 8 years in replacing old and unsatisfactory buildings, delayed or cancelled military construction projects will have long term impacts on our future operating budget, force posture, and the overall welfare of our Marines.

#### MILITARY CONSTRUCTION

Generally, the need for Marine Corps MILCON is driven by the Operating Force and Marine Corps wide mission requirements such as:

- New platform or weapons introduction
- Relocating forces
- Meeting a force protection or safety standard
- Eliminating or replacing facilities in inadequate condition
- Meeting new and improved training standards
- Modernizing critical infrastructure
- Improving utilities reliability to support readiness
- Meeting environmental and energy reduction mandates
- Improving training areas to include aerial/ground ranges
- Acquiring land as necessary for Operating Force use

The Marine Corps' fiscal year 2016 Military Construction (MILCON) program includes 22 projects valued at approximately \$719 million. The primary focus areas of the fiscal year 2016 Marine Corps MILCON budget are to support new capabilities and platforms, provide facilities to support training of the modern 21st century force, recapitalization and replacement of inadequate facilities, and meeting safety and environmental mandates. Our fiscal year 2016 program accomplishes the following:

- Supports new aviation platforms such as F-35, KC-130J, CH-53K, and RQ-21A with new aircraft maintenance facilities and aircraft parking aprons.
- Improves quality of life for junior enlisted Marines at Marine Corps Base Hawaii by providing a new barracks.
- Provides a new live fire training range to support current and future ground unit training on Guam.
- Provides for Embassy security guard training and operations at Marine Corps Base Quantico.
- Completes the expansion of Townsend Bombing Range initiated and approved by Congress in 2014 to enable training with precision guided munitions at this location.
- Improves airfield lighting and electrical distribution system at the Marine Corps Base Hawaii airfield at Kaneohe Bay.
- Improves and ensures safety, security, and environmental compliance posture at various bases.
- Improves utility system reliability at various bases in order to support training and day-to-day operations.
- Replaces numerous inadequate and obsolete facilities in order to improve operations and training.

#### INFRASTRUCTURE SUSTAINMENT AND RESTORATION

The President's budget for fiscal year 2016 funds 81 percent of the OSD facilities sustainment model requirement for the Marine Corps (an increase over the fiscal year 2015 level). The OSD guideline is to fund 90 percent of the requirement. We remain aware that underfunding facilities sustainment increases the rate of degradation of Marine Corps infrastructure which leads to more costly repairs, restoration, and new construction in the future. We are taking strategic risk in infrastructure sustainment to support current operational readiness for deployed forces.

When restoring and modernizing our infrastructure, we prioritize life/safety issues and efficiency improvements to existing infrastructure and focus on repairing only the most critical components of our mission critical facilities. By deferring less critical repairs, especially for non-mission critical facilities, we are allowing certain facilities to degrade and causing our overall facilities maintenance backlog to increase. We acknowledge this backlog must eventually be addressed.

## FAMILY HOUSING

Our world-wide family housing inventory is 96 percent privatized. Privatization has improved the homes in which our families live and provides community support facilities such as community centers, playgrounds, and “green spaces” that help create neighborhoods and a sense of community for our marines and their families. Utilizing both traditional military construction and our privatization partners the Marine Corps will continue to build and improve the homes necessary to supplement local community housing.

The Marine Corps is not requesting any new construction in fiscal year 2016 through either traditional MILCON or through the use of privatization authorities. However, we are requesting \$7.9 million for the sustainment and restoration of 18 enlisted townhomes at MCAS Iwakuni, Japan in order to complete the final phase of renovation for the Monzen Townhouse neighborhood. This will provide much needed improvements to quality of life for our marines and their families stationed overseas.

## MARINE CORPS IN THE PACIFIC

The Marine Corps continues to rebalance its force lay-down in the Pacific to support the Defense Strategic Guidance. The fiscal year 2016 budget request includes funding to support the arrival of new aviation assets and personnel to Marine Corps Base Hawaii and Japan. Additionally, the budget includes \$126 million to construct a live-fire training range complex in Guam that will support current and future training needs of the Marine Corps and our allied partners.

Guam, and the relocation of marines to this island, remains an essential part of the United States’ larger Asia-Pacific strategy of achieving a more geographically distributed, operationally resilient and politically sustainable force posture in the region. We appreciate the removal of the restrictions from the National Defense Authorization Act (NDAA) for fiscal year 2014, as well as the language in Section 2822 in the National Defense Authorization Act for fiscal year 2015 permitting us to enter into a Refuge agreement with the U.S. Fish and Wildlife Service. Together, these provisions will allow us to move forward on the essential Guam component of our Pacific force laydown plan.

Last July, we provided Congress with our revised Guam Master Plan. Under this plan, also referred to as “the distributed laydown”, approximately 5,000 marines and 1,300 dependents will come to Guam versus the original plan that had considered approximately 8,600 marines and 9,000 dependents. The estimated cost, scope, and schedule for the military construction and Government of Japan funded projects necessary to carry out the revised plan were detailed in the Guam Master Plan. In the next year, the Government of Japan will commit \$176 million to construct a Driver Convoy Course and a complex for Urban Terrain Range Operations at Anderson Air Force Base. To date, we have received in our Treasury almost \$1 billion in Japanese funding toward completion of the relocation. This in itself is indeed a strong statement of the Japanese commitment to the relocation.

## CONCLUSION

Our infrastructure programs are an important part in maintaining our high state of readiness as the Nation’s crisis response force. The fiscal year 2016 budget request supports this premise. As funding becomes more constrained in the future, the Marine Corps will continue to rely on the sound stewardship of existing facilities and infrastructure to support our needs.

Thank you for the opportunity to testify before you today and appreciate your consideration of our fiscal year 2016 budget request. I look forward to working with you to sustain the warfighting capability and quality of life of the Marine Corps.

Senator KIRK. General Green.

## DEPARTMENT OF THE AIR FORCE

**STATEMENT OF BRIGADIER GENERAL TIMOTHY S. GREEN, DEPUTY CHIEF OF STAFF FOR LOGISTICS, INSTALLATIONS AND MISSION SUPPORT, AND AIR FORCE DIRECTOR OF CIVIL ENGINEERS, HEADQUARTERS, U.S. AIR FORCE**

General GREEN. Chairman Kirk, Ranking Member Tester, members of the subcommittee, I am honored today to represent America’s airmen, Active Duty, Air National Guard, Air Force Reserve,

and civilians, and discuss the Air Force's fiscal year 2016 military construction, housing, and BRAC request.

Our \$1.6 billion total force fiscal year 2016 MILCON request is more than 65 percent higher than last year's budget. I want to emphasize that these funds and requested projects support the National Defense Strategy and critical Air Force priorities.

At the macro level, just over 20 percent of the request supports combatant commanders' priorities and requirements. About 17 percent of the MILCON aligns with the Secretary of the Air Force's priorities of nuclear, space, and cyber. Twenty-six percent is focused on today's readiness. And roughly 16 percent of our request beds down our modernized weapons systems. And finally, our fiscal year 2016 request includes vital quality-of-life funding for military family housing overseas and dormitories for our airmen.

The fiscal year 2016 President's budget also requests authority from Congress to conduct a BRAC round 2017. The Air Force has identified approximately 30 percent in excess infrastructure capacity, and we believe BRAC would provide the most comprehensive, transparent, and collaborative way to align infrastructure capacity with mission requirements.

I want to thank you for your support in giving the Air Force much needed relief in 2014 and 2015 from untenable sequestration levels. Without Budget Control Act relief in fiscal year 2016, the risk assumed to Air Force infrastructure could have severe impacts on mission readiness.

At BCA levels, the Air Force would expect a reduction in military construction funding that would touch every area of our strategy. It would likely result in reduced funding to support combatant commands, upgrade critical nuclear infrastructure, ensure facilities are in place for our modernized weapons systems, as well as recapitalization of housing and dormitories. The Air Force would also expect similar reductions in fiscal year 2016 facility sustainment, restoration, and modernization accounts, forcing us to prioritize day-to-day maintenance activities at the expense of much needed facility repairs.

The Air Force's fiscal year 2016 budget request allows us to begin addressing necessary infrastructure recapitalization and facility sustainment and repair backlog that has contributed to the degradation of our combat support capabilities.

Please keep in mind that even at the fiscal year 2016 President's budget levels, the Air Force remains stressed to meet the National Defense Strategy.

Chairman Kirk, Ranking Member Tester, and members of the subcommittee, thank you again for the opportunity to testify today, and I will look forward to your questions.

[The statement follows:]

#### PREPARED STATEMENT OF BRIGADIER GENERAL TIMOTHY S. GREEN

##### INTRODUCTION

The Air Force's fiscal year 2016 President's budget (PB) request sets us on the path to meeting defense strategy as set forth in the 2014 Quadrennial Defense Review (QDR) through strategy-based long-term resourcing decisions. This budget submission is rooted in necessity and is based upon our long-term strategy and vision to provide ready installations supporting the Secretary and Chief of Staff of the Air Force's three priorities of balancing today's readiness with tomorrow's moderniza-

tion, taking care of our people, and making every dollar count to help ensure we can maintain and field a credible and affordable future force.

The Air Force's fiscal year 2016 PB sets us on a path to provide the Air Force America needs and deserves. However, even at the fiscal year 2016 PB level, the Air Force remains stressed to meet the defense strategy. The PB request is informed by our guiding principles which support the Air Force's core missions. We used a deliberate process to define what the Air Force needs to be ready today and what capabilities we need to invest in now in order to fight future threats. The end result is a budget which supports the defense strategy, is anchored to the Air Force 30-year plan, and meets combatant commanders' needs.

If sequestration funding levels return in fiscal year 2016, the Air Force will not be able to meet the entire defense strategy, nor sustain its asymmetric advantage over potential peer competitors. Additionally, these levels will cause continued degradation of infrastructure and installation support. The Air Force would expect a reduction in Military Construction funding resulting in reduced support to combatant commands, reduced funding to upgrade the nuclear enterprise and support new weapons systems beddown, and elimination of permanent party dormitories from the fiscal year 2016 budget request. The Air Force would also expect similar reductions in fiscal year 2016 facility sustainment, restoration and modernization funding, forcing Air Force priority on day to day facility maintenance at the expense of much needed facility repairs.

Our unequalled security, economic, and political advantages depend on investment in an Air Force that is able to easily succeed against any competitor, in any environment. In order to ensure a trained and ready force to engage in a full range of contingencies and threats, at home and abroad, we must provide the facilities and support that enable training, operations, and maintenance of increasingly complex and technology dependent systems. Now more than ever, the Air Force must make smart investments in its installations through military construction (MILCON) and facility sustainment.

#### INSTALLATIONS

Ready installations are an integral part of ensuring a ready Air Force. The Air Force views its installations as foundational platforms comprised of both built and natural infrastructure which: (1) serve as the backbone for Air Force enduring core missions—we deliver air, space and cyberspace capabilities from our installations; (2) enable worldwide access when our national interests are at risk or international partners need assistance; (3) foster partnership-building by stationing our airmen side-by-side with our Allies and Coalition partners; and (4) send a strategic message to both allies and adversaries—installations signal commitment to our friends, and intent to our foes. Taken together, these strategic imperatives require us to provide efficiently operated, sustainable installations to enable the Air Force to support the defense strategy as set forth in the 2014 QDR.

In its fiscal year 2015 President's budget request, the Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. To help achieve that balance, the Air Force elected to accept risk in installation support, MILCON, and facilities sustainment in fiscal year 2015. However, in its fiscal year 2016 request, the Air Force begins to ameliorate the impacts of that risk by increasing funding for installations in all three of the areas noted above.

In total, the Air Force's fiscal year 2016 PB request for installations is \$1.9 billion more than our fiscal year 2015 PB request and contains \$4.8 billion for MILCON, facility sustainment, restoration and modernization, as well as another \$331.2 million for Military Family Housing operations and maintenance and \$160.5 million for Military Family Housing Construction. For sustainment, the Air Force requests \$2.4 billion; for restoration and modernization, \$850 million; and for military construction, \$1.59<sup>1</sup> billion. At these levels, the Air Force funds Facilities Sustainment to 80 percent of the OSD modeled requirement. The increase in MILCON begins infrastructure recapitalization while maintaining support to combatant commander (COCOM) requirements, the nuclear enterprise, new weapon system beddowns, and provides equitable distribution of \$203.8 million to the Reserve components.

#### READINESS

The Air Force fiscal year 2016 PB request seeks to balance readiness for today's fights, while also modernizing our infrastructure for the future. The Air Force's fis-

<sup>1</sup>\$1.59 billion is the Total Force funding request including Active, Guard and Reserve.

cal year 2016 budget proposes investments in infrastructure to support the 2014 QDR strategic guidance and combatant commanders' stated readiness needs in the following areas: nuclear defense operations (NDO); space; cyberspace; intelligence, surveillance and reconnaissance (ISR); and the Asia-Pacific theater.

Our fiscal year 2016 PB supports Nuclear Enterprise priorities and includes three projects, totaling \$144 million. With this budget submission, the Air Force intends to provide a new state-of-the-art Weapon Storage Facility at F.E. Warren AFB, Wyoming which consolidates 22 aging facilities (some of which have been in service since the 1960s), achieving a 19 percent reduction in facility footprint while addressing security and operational inefficiencies through recapitalization. The Weapon Storage Facility at F.E. Warren will become the model for four future weapon storage facilities in the decades ahead. The fiscal year 2016 budget also includes investment to revitalize the Malmstrom AFB, Montana, Tactical Response Force Alert Facilities as well as the Whiteman AFB, Missouri, Consolidated Stealth Operations and Nuclear Alert Facility. Together, these projects will consolidate scattered installation functions, provide adequately sized and configured operating platforms, as well as reduce critical response times to generate alert sorties.

The Air Force also focused on space, cyberspace, and ISR investments in the MILCON budget request. These investment areas account for eight projects in the proposed fiscal year 2016 PB, totaling \$172 million. The Air Force continues its multi-year efforts to construct the U.S. Cyber Command Joint Operations Center at Fort Meade, Maryland; strengthen its space posture through information and communication facilities; and enhance ISR readiness with remotely piloted aircraft facilities, intelligence targeting facilities, as well as digital ground stations.

Consistent with defense strategy as set forth in the 2014 QDR, the Asia-Pacific Theater remains an important strategic area for the Air Force where it will make an \$85 million investment in fiscal year 2016 to ensure our ability to project power into areas which may challenge our access and freedom to operate, and continue efforts to enhance resiliency. Guam remains one of the most vital and accessible locations in the western Pacific. For the past 9 years, Joint Region Marianas-Andersen AFB, Guam has accommodated a continuous presence of our Nation's premier air assets, and will continue to serve as the military's strategic and operational center in support of a spectrum of potential crises in the Pacific.

To further support Pacific Command's strategy, the Air Force is committed to hardening critical structures, mitigating asset vulnerabilities, increasing redundancy, fielding improved airfield damage repair kits and upgrading degraded infrastructure as part of the Asia-Pacific Resiliency program. In 2016, the Air Force plans to construct a hardened Wing Installation Control Center to sustain Guam's remote operations, ensure resiliency with the Dispersed Maintenance Spares and Storage Facility, and continue our efforts to upgrade Guam's South Ramp Utilities, supporting a Continuous Bomber Presence, Tanker Task Force, Theater Security Packages, and Global Hawk beddown. The Air Force also wraps up its development of the Pacific Regional Training Center by constructing a permanent road to support facilities located at Northwest Field. This Regional Training Center will enable mandatory contingency training and enhance the operational capability to establish, operate, sustain, and recover a "bare base" at forward-deployed locations, and foster opportunities for partnership building in this vitally important area of the world.

This year's President's budget request also includes \$252 million for additional requirements at four COCOMs extending beyond NDO, space, cyberspace, ISR, and the Asia-Pacific Theater. In particular, the Air Force continues with phase two of the U.S. European Command Joint Intelligence Analysis Center Consolidation at RAF Croughton, United Kingdom. Our total fiscal year 2016 COCOM support makes up 21 percent of the Air Force's MILCON request.

#### MODERNIZATION

The fiscal year 2016 PB request also includes critical infrastructure investments to support the Air Force's modernization programs, including the beddown of the F-35A, KC-46A, and the Presidential Aircraft Recapitalization efforts. The Air Force's ability to fully operationalize these new aircraft depends not just on acquisition of the aircraft themselves, but also on the construction of the necessary hangars, training facilities, airfields and fuel infrastructures funded within this fiscal year 2016 budget.

This year's President's budget request includes \$54.5 million for the beddown of the KC-46A at four locations. This consists of \$10.4 million at Altus AFB, Oklahoma, the Formal Training Unit (FTU); \$4.3 million at McConnell AFB, Kansas, the first Main Operating Base (MOB 1); \$2.8 million at Pease International Tradeport Air National Guard Base (ANGB), New Hampshire, the second Main Operating

Base (MOB 2); and \$37 million at Tinker AFB, Oklahoma, for KC-46A depot maintenance.

This request also includes \$198.3 million for the beddown of the F-35A at five locations, consisting of \$69 million at Nellis AFB, Nevada; \$56.7 million at Luke AFB, Arizona; \$26.9 million at Hill AFB, Utah; \$37 million at Eielson AFB, Alaska; and \$8.7 million at Eglin AFB, Florida.

In preparation for the Presidential Aircraft Recapitalization acquisition, the Air Force's 2016 budget request accounts for the planning and design requirements essential to construction required to beddown these new aircraft. In total, our fiscal year 2016 request represents a balanced approach ensuring critical infrastructure requirements to meet mission needs and operational timelines.

#### PEOPLE

During periods of fiscal turmoil, we must never lose sight of our Airmen and their families. Airmen are the source of Air Force airpower. Regardless of the location, the mission, or the weapon system, our airmen provide the knowledge, skill, and determination to fly, fight and win. There is no better way for us to demonstrate our commitment to service members and their families than by providing quality housing on our installations. The Air Force has privatized military family housing (MFH) at each of its stateside installations, including Alaska and Hawaii, via 32 projects at 63 bases for 53,240 end-state homes.

The Air Force continues to manage approximately 18,000 Government-owned family housing units at overseas installations. Our \$331.2 million fiscal year 2016 Military Family Housing Operations and Maintenance (O&M) sustainment funds request allows us to sustain adequate units, and our \$160.5 million fiscal year 2016 request for MFH MILCON funds allows us to upgrade and modernize older homes to meet the housing requirements of our Airmen, their families and the Joint service members the Air Force supports overseas.

Similarly, our focused investment strategy for dormitories enables the Air Force to remain on track to meet the DOD goal of 90 percent adequate permanent party dorm rooms for unaccompanied Airmen by 2017. The fiscal year 2016 President's budget MILCON request includes four dormitories at Offutt AFB, Nebraska; Ellsworth AFB, South Dakota; Altus AFB, Oklahoma; and Joint Base San Antonio, Texas. With your support, we will continue to take care of our most valued asset, our airmen and their families.

#### EUROPEAN INFRASTRUCTURE CONSOLIDATION (EIC)

The United States remains committed to NATO and our presence in Europe. The Air Force invested in its European infrastructure in the last several years in order to ensure it is ready and able to defend U.S. interests and meet its commitment to our Allies and Partners now and in the future. At the same time, in the context of a challenging fiscal environment, the Department of Defense recently sought greater infrastructure efficiencies in Europe and to ensure it applies resources where they can have the greatest effect.

Two years ago, the Secretary of Defense directed a European Infrastructure capacity analysis to provide the basis for reducing long-term expenses through footprint consolidations, while retaining current and projected force structure. Under OSD direction, the Air Force used previously established Base Realignment and Closure (BRAC) processes to analyze the infrastructure capacity of 128 total sites, including six Main Operating Bases and six Forward Operating Sites in Europe.

In January 2015, the Secretary of the Defense approved the results of the European Infrastructure Consolidation (EIC) process. This process produced eight consolidation opportunities that will eliminate excess infrastructure capacity, consolidate missions, and produce savings without reducing force structure. In the United Kingdom, the Air Force will divest of RAF Mildenhall and consolidate intelligence and support activities from RAF Alconbury and RAF Molesworth to RAF Croughton. The Air Force also reaffirmed previous decisions to streamline operations at Moron Air Base, Spain, and Lajes Field, Portugal, and returned four small unused facilities back to their respective host nations.

The Air Force European Infrastructure Consolidation opportunities will cost approximately \$1.1 billion (fiscal year 2016–fiscal year 2021) to implement, but will enable the Air Force to save \$315 million a year, while still maintaining our readiness and responsiveness capabilities in Europe. Most of the implementation costs are paid for through previously programmed European Infrastructure Consolidation (EIC) funding.

The EIC ensures Air Force installations in Europe are right-sized and at the right location. Our capability in Europe, along with our ability to meet commitments to

Allies and partners, is not diminished by these actions. The Air Force is maintaining sufficient infrastructure in Europe to support six Combatant Commands, the North Atlantic Treaty Organization, and U.S. strategic allies through permanently stationed forces, additional rotational forces, and contingency requirements. The EIC adjustments will allow the Air Force to address emerging concerns in Europe and elsewhere, by focusing resources on critical operational support infrastructure.

We have consulted closely with our allies on our specific plans and the broader security picture. These consolidations, force realignments, and new deployments were validated through the EIC and other processes and approved by the Secretary of Defense, in full coordination with the U.S. State Department, and after discussions with the host nations.

#### CLOSURES AND REALIGNMENTS

Building on the success of the European Infrastructure Consolidation process, the Air Force strongly supports DOD's request for an fiscal year 2017 BRAC round in the United States.

In fiscal year 2015 budget discussions, Congress requested that the Services update their analyses of CONUS infrastructure capacity based upon current infrastructure data and current force structure projections.

The Air Force has completed a high-level capacity analysis, comparing current infrastructure capacity to projected force structure and mission requirements. The results of the analysis indicate the Air Force has approximately 30 percent excess infrastructure capacity.<sup>2</sup> This excess capacity results from decreases in Air Force personnel and force structure outpacing reductions in infrastructure. Since the last BRAC round in 2005, the Air Force has 50,000 fewer personnel and 500 fewer aircraft in its planned force structure.

Since the last congressionally directed round of BRAC in 2005, the Air Force has worked diligently to identify new opportunities and initiatives to enable it to maximize the impact of every dollar. We have demolished excess infrastructure, recapitalized our family housing through privatization, unlocked the fiscal potential of under-utilized resources through leasing and partnerships, and reduced our energy costs. All of which have paid dividends. But these efforts are not enough to allow us to continue to fund infrastructure we do not need and pale in comparison to the savings that can be achieved with BRAC authorities.

Despite our best efforts and innovative programs, the Air Force must continue to spend money maintaining excess infrastructure that would be better spent recapitalizing and sustaining our required infrastructure and weapons systems, training to improve readiness, and investing in the quality of life needs of its Airmen. The Air Force recognizes that it can achieve its greatest savings to smartly reinvest when fully divested of unneeded infrastructure. Therefore we strongly support DOD's requests for another round of BRAC; specifically an efficiency BRAC focused on reducing the Air Force's 30 percent excess infrastructure capacity and ultimately reducing the demand on resources.

#### CONCLUSION

The Air Force made hard strategic choices during formulation of this budget request. The Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. Our fiscal year 2016 PB request begins the recovery of installation and infrastructure investments necessary to meet the defense strategy while maintaining support to combatant commander requirements, the nuclear enterprise, new weapon system beddowns, and provides equitable distribution to our Reserve components. However, a return to sequestered funding levels will halt readiness recovery, cut capacity and slow modernization efforts as AF installations around the world will continue to experience infrastructure and installation support degradation.

Finally, we continue to carefully scrutinize every dollar we spend. Our commitment to continued efficiencies, a properly sized force structure, and right-sized installations will enable us to ensure maximum returns on the Nation's investment in her airmen, who provide our trademark and essential airpower capabilities for the Nation.

<sup>2</sup>The 30 percent excess infrastructure capacity estimate was calculated using the same approved methodology that has been employed to measure excess infrastructure prior to previous rounds of BRAC.

Senator KIRK. Thank you. Thank you, General. General Halverson, when I recently met with General Selva, the Combatant Commander of U.S. Transportation Command (TRANSCOM), he mentioned how important the Military Ocean Terminal Concord (MOTCO) pier was to TRANSCOM, to be able to make sure our forces in the Pacific would be ready for any contingencies. Could you tell me your comments on that project?

General HALVERSON. Thanks, Senator.

The military terminal there we have at Concord is vital. We commit \$98 million in the fiscal year 2016 construction of that pier, Pier 2. It is important to us because it provides vital shipping for ammunition and stuff that are tied to the operations plans there in the Pacific.

So, one, clearly it is a strategic capability that we do need to ensure that we have a trained and ready force, and the munitions available to exercise, if needed, especially for things like Korea and other places in the Pacific, so it is vital. We are committed to it. We have put money in there before, and we will continue to ensure that it is on our, with your approval, we will be working that in fiscal year 2016.

Senator KIRK. Let me ask a question of Ms. Kern.

#### MISSILE DEFENSE SITE PROGRESS

My top priority on this subcommittee is to make sure we build the missile defense site in Poland to make sure we can defend our NATO ally there. It is kind of important for us from Chicagoland to defend Poland.

Could you comment on the progress on the Redzikowo site?

Ms. KERN. Yes, sir.

Navy is standing up two sites to support Aegis ashore, one in Romania and one in Poland, as part of the European Phased Adaptive Approach. This will enhance coverage of NATO territory and populations from ballistic missiles, as you know.

Navy's MILCON project complements the Missile Defense Agency MILCON that builds the weapon system. We are constructing support facilities such as a galley, berthing, armory, access control, medical, and recreation space.

We awarded the Romania MILCON in 2014, and the project is progressing well. The Romania site will achieve initial operating capability in fiscal year 2016.

We applied the lessons we learned in Romania to our Poland project, as we were building it in the 1391. So pending authorization and appropriation of the budget, we anticipate being able to award the contract for Poland in February 2016.

#### MARINE CORPS EMBASSY GUARD REQUIREMENTS

Senator KIRK. Mr. Clifton, let me ask you about your request for \$44 million for the Embassy Security Guard Facility.

Can you comment on that?

Mr. CLIFTON. Yes, sir. As you know, the requirement for Embassy guards across the world has grown by about a thousand, and we also have added a capacity for augmenting the Embassy guards with marines. So that money for construction is being utilized at Quantico to construct a barracks for the additional personnel and

administrative and instructional support facilities to support the increase.

Senator KIRK. General Green, let me ask about your request for about \$95 million to upgrade the nuclear enterprise. I would say that most Americans would be pretty shocked to see the 60 Minutes piece on how bad the communications are and the infrastructure supporting the Minuteman missile force.

NUCLEAR ENTERPRISE INVESTMENT

General GREEN. Yes, sir, thank you.

You are right, I think everybody is concerned about the investment in the nuclear enterprise, and it is the Secretary of the Air Force's top MILCON priority.

There are three projects in the fiscal year 2016 request. The most important one is the nuclear weapons storage facility at F.E. Warren Air Force Base, Wyoming, and it is really the down payment. It is going to be the first in a series of projects to upgrade all of our weapon storage facilities at all of our nuclear installations.

So it is very critical to us in the future as we look forward. It is a big investment, and we appreciate the committee's support.

We also have another important project I will tell you at Malmstrom, and that is an alert facility, a tactical alert facility, as we go through looking ahead. And again—

Senator KIRK. The ranking member is very interested in Malmstrom.

General GREEN. Yes, sir.

Senator KIRK. And so is the State.

General GREEN. So we are doing the large things, as well as the small things, because the details also matter in the nuclear enterprise. Thank you, sir.

Senator KIRK. Thank you.

Senator TESTER.

Senator TESTER. Thank you, Mr. Chairman.

Since Senator Udall has a meeting, I am going to cede my time to him for questions, if I might. Go ahead.

CANNON AIR FORCE BASE, NEW MEXICO

Senator UDALL. Senator Tester, thank you for the courtesy. And, Chairman Kirk, I think this hearing is of extreme importance, because it is not only about the projects that impact our States, as many of these projects do, but it is also about the future state of our military and the facilities our troops will have to train in and carry out their important mission.

I think we can admit that some facilities are doing better. For example, I am glad to see that the Air Force and the Secretary of Defense have made it a priority to provide the resources to keep our Special Operations facility strong in New Mexico at Cannon Air Force Base. They have been a major recipient of that funding, and I think from my couple of visits there, things are going very well.

However, with sequestration and tighter budgets, I am worried that we have a problem on the horizon. At bases where maintenance has been deferred and construction projects have been put on hold, there are looming shortfalls.

In testimony earlier this year, Assistant Secretary Hammack put it this way, and I quote, she said, "Facilities are failing at a rate faster than we are being funded." It is my understanding the Army now faces a \$3 billion maintenance backlog, of which there is over \$200 million at the White Sands Missile Range (WSMR).

So, General Halverson, I appreciated speaking with you earlier in the week and you taking the time. With regard to White Sands, as you know, there is no other place like it in the country. For the benefit of my colleagues, it is the size of Delaware, Rhode Island, and the District of Columbia combined. And it has the largest Federal Aviation Administration (FAA) blackout area in the country.

Furthermore, the sensors throughout the range require continual upkeep in order to enable them to provide the data to the testers who are testing important projects for all of the branches of the military.

As a result of the budget cuts, the roads and the facilities at White Sands are starting to show signs of age and deterioration, and I am concerned that the testing capability at White Sands will be impacted if we don't get a handle on this issue soon.

How concerned are you about this? What are the Army's plans to make the road and maintenance facilities a priority? And how can we work on this together?

General HALVERSON. Thank you, Senator Udall. I do appreciate your support for the great White Sands Missile Range.

As I told you, I was the commander of Fort Sill that had the old Fires force with the Air Defense Artillery (ADA) and stuff, and we really needed that capability to ensure that we do have our Patriot systems that can do their test firing and all the testing that is there. And I did command the Operational Test Command, as you all know, that does all the operational testing there.

So it really is important, as you were saying, because it is of vital interest for us to be able to test to ensure the systems we put into our soldiers' hands will work and provide that deterrent defensive fire that we do need. So it is of concern.

I think you hit it right, sir, and that is why we are already backlogged, like you said. And we really need to look at that. That is why we are concerned about sequestration and stuff, because within those accounts, another \$2 billion could come out of the force, and we would lose a lot of flexibility.

Things like roads, especially with the networks and stuff that you have at White Sands, we are looking at that. I talked to Tim Coffin when I went there, because I was there for an office call with him, and I saw the facilities. I have his concerns, and we are going to be putting them into what we can do with his ability to be able to repair roads and those types of things that he needs to have a quality-of-life issue and a safety issue for his post.

Senator UDALL. Thank you very much. We really look forward to working with you on that.

#### WHITE SANDS MISSILE RANGE AIRSPACE COORDINATION

General Green, a question about Holloman Air Force Base and the marshalling area there. There is a quote: "Processes in place at Holloman now prevent aircraft from taking off into WSMR prior to the start of airspace time," and that is the end of the quote. The

lack of this marshalling area will create further backlogs for trainees getting in and out of the runway because of limited airspace windows.

My understanding is that there are other airspace coordination issues that remain unresolved between the Air Force and the Army with regard to the use of the WSMR complex, and that this marshalling area is just one of the Air Force's workarounds for these issues.

Is that correct? And is that your understanding?

General GREEN. Senator, I am not as familiar with the other airspace coordination issues. That is an operational issue more than a military construction issue, so if I can take that question for the record, we will get back with you with an appropriate answer and a complete answer.

[The information follows:]

In 2014, we formalized a relationship by signing a Memorandum of Agreement between White Sands Missile Range (WSMR) and Holloman Air Force Base. The memorandum reinforces the Office of the Secretary of Defense's Major Range and Test Facility Base policy that test activities at White Sands Missile Range are a higher priority than Holloman's training activities.

Holloman also has reorganized the internal lateral and vertical dimensions of its training airspace and also modified its airspace control procedures to improve overall efficiency and training effectiveness. To improve airspace coordination and scheduling procedures, we have been simultaneously working with our Army partners. As an example, we are considering using the coordination procedures employed at the Nevada Test and Training Range. Also, with Air Force training continuing to increase at Holloman, we are currently conducting an analysis to determine if the current airspace is adequately configured and sized to support our future range and airspace needs.

Senator UDALL. That would be great. Thank you very much. I have a couple of others for the record. I appreciate your prompt reply to those. Thank you.

Senator KIRK. Thank you.

The Senator for King Cove, Alaska.

#### F-35A BASING

Senator MURKOWSKI. Thank you, Mr. Chairman. I am glad that you always remember.

Gentlemen, ladies, welcome to the committee. Thank you.

This is a question, first off, for General Green, if I may, and this regards the process that the Air Force is in. The environmental impact statement (EIS) process has been initiated to bed down two squadrons of F-35s there at Eielson Air Force Base. The scoping meetings are going to take place next week. But the Air Force is proposing a \$37 million simulator building in the fiscal year 2016 MILCON program to support the bed-down.

Now we know that a final decision is not going to be made until the National Environmental Policy Act (NEPA) process is concluded, but assuming that all goes well and Eielson is selected to receive the F-35s as currently planned, can you speak to how much military construction will actually be required to complete the bed-down, and what the anticipated pace of construction will be moving forward?

General GREEN. Thank you, Senator.

You are right, as Eielson is the preferred and reasonable alternative right now, the NEPA process is underway and the request

is simply going to align this year and give us the ability to get the MILCON project through the budgetary process, so it will line up for the first arrival of aircraft, if Eielson is selected.

As far as the timeline for the construction, I do not have the complete timeline for all the size of the construction program, and I will need to get that to you later on. But how we traditionally do this is line up our construction so it is just in time for aircraft arrivals. So if there is capacity at Eielson to provide some initial standup, we won't do the construction until it is necessary based upon the growth of the squadron. So I will need to line up the aircraft arrivals in the MILCON, and we can take that for the record and get back with you with those long-term program details.

[The information follows:]

We included \$161 million worth of projects in the fiscal year 2016 to 2020 Future Years Defense Plan (FYDP) for bed-down projects at Eielson AFB, Alaska. Construction timelines at Eielson are somewhat longer than for projects in more temperate locations. For example, we have estimated a three-year construction timeline for the fiscal year 2016 F-35A Flight Simulator/Alter Squad Ops/AMU Facility project allowing the facility to be completed before the first F-35A aircraft arrives in July 2019. Based on the projects in the FYDP, overall construction timeframes would run into fiscal year 2020.

The initial site survey that generated the \$161 million estimate assumed that the F-16 Aggressor Squadron at Eielson would be relocated, but recently the Air Force decided to leave this unit at Eielson. This will add roughly \$123 million of additional military construction projects to the F-35A bed-down, as we will not be able to use the Aggressor facilities for the F-35A. While these new projects have not been programmed, we now expect construction will stretch into fiscal year 2021.

Senator MURKOWSKI. Understood. I appreciate that.

Now, none of us think that sequestration as it relates to our defense spending has had any kind of a positive impact there. But if sequestration moves forward, what might that do to the construction proposal that we are talking about with the F-35s, recognizing that is still in the off-years here?

General GREEN. Yes, ma'am. If we have a sequestered budget or Budget Control Act levels, we would expect all of our strategy across every functional area to be affected, whether it is nuclear deterrence operations or bed-down of weapons systems. The priorities of that would be up to a conversation, a dialogue, we would hope to have with the committees about the exact timelines and the risks we would be taking.

I would expect all of our programs to be touched, the impact of which will only be determined by the appropriation levels that this committee and Congress is allowed to have. So there will be a conversation, and, again, we will look at timing and risk and where to balance that risk across the Air Force program.

#### 18TH AGGRESSOR SQUADRON

Senator MURKOWSKI. I appreciate that.

There has been a lot of back and forth about the future of the 18th Aggressor Squadron, which operates the F-16s out of Eielson. There are three different scenarios that are at play right now. One keeps the F-16s there at Eielson. Another moves them down south to Joint Base Elmendorf-Richardson (JBER). And then a third is to locate them elsewhere, probably Nellis.

Where is the Air Force on this decisionmaking process right now?

General GREEN. Right now, currently, the Air Force is going through its strategic basing process so, as you know, ma'am, that is an open and collaborative process. We are on track for the Secretary of the Air Force to make a basing decision later on this spring, and so that would allow us to then move forward. I would expect a decision for preferred and reasonable alternative to be later this spring, and then everything would flow from that.

ARMY GREY EAGLE BASING

Senator MURKOWSKI. Okay. One final question and this relates to the Grey Eagle unmanned aerial vehicle (UAV). The Army has been in discussion with the Air Force for about a year about possible basing of the Grey Eagle there at Eielson, which the Army regards as its best alternative. I guess the second-best alternative would be basing it at Fort Wainwright.

So, General Halverson, when do you need a definitive answer from the Air Force about whether or not Army can base the Grey Eagle at Eielson?

General HALVERSON. Well, ma'am, we have been in consultation with the Air Force, like you said.

Senator MURKOWSKI. Right.

General HALVERSON. We have forwarded that to the Secretary of the Air Force. And like Tim just said, they are looking at that in their basing aspects of it. And it should be brought to them I think soon, so, therefore, we will have a decision by the summer. That is where we are tracking.

Senator MURKOWSKI. General Green.

General GREEN. Yes, ma'am. We are on track to have a basing decision, again, this spring with the Secretary of the Air Force, so that is where we are in the basing process.

Senator MURKOWSKI. I appreciate that. And then further information you can get back with me on regarding the F-35s is appreciated.

General GREEN. Yes, ma'am. We will do that. Thank you.

Senator MURKOWSKI. Thank you, gentlemen.

Thank you, Mr. Chairman.

Senator KIRK. Thank you.

Let's turn to Senator Cassidy, who wanted to do a moment of silence for the 11 troops that were recently lost in a tragic accident.

Senator CASSIDY. Yes, several of those coming from Louisiana, National Guardsmen, so thank you.

[Moment of silence.]

Senator CASSIDY. Thank you.

Senator KIRK. Let's summarize, 11 troops were killed, of which 4 were marines and 7 were from the Louisiana National Guard?

Mr. Tester?

F.E. WARREN AIR FORCE BASE

Senator TESTER. Thank you, Mr. Chairman. That kind of shows the fact that service is real business, so we want to thank you guys for the leadership that you provide and thank the troops who serve, whatever branch of the military they are in.

I am going to start with you, General Green. Secretary James has said the nuclear mission of the Air Force is top priority for the Air Force.

Could you tell me how this budget reflects her statement?

General GREEN. Yes, sir. It really goes to show the budget reflects her desire for investment across-the-board. So in the military construction accounts, it is about the dollars invested in the three projects we have: the weapons storage facility at F.E. Warren; the investment in using that as a pathfinder, if you will, of the first of five to be constructed in the future years as we go through the program; and getting this back onto an appropriate path with our infrastructure to support it.

Senator TESTER. The weapons storage facility at F.E. Warren, when will it be completed?

General GREEN. Sir, I don't have the construction timeline out in front of me, so as we go through the bids, I would expect it to take a couple of years to do that. And then following that design and construction, we will begin doing a series of other projects beginning in fiscal year 2018. Barksdale Air Force Base is the next budget request. And then we will go on to Malmstrom Air Force Base in fiscal year 2019 with a budget request for a weapons storage facility.

Senator TESTER. Is that weapons storage at Barksdale also?

General GREEN. Yes, sir, it is.

#### OVERSEAS MILCON AND BURDEN SHARING

Senator TESTER. Okay. All right. Thank you.

I just want to talk about overseas MILCON and any one of you can answer it that wants to or you can all answer it.

Look, we are dealing with regional and global threats across the globe, confronting adversaries on the other side of the world with our allies, and I think this is important. But, oftentimes, I wonder if we don't disproportionately fund the bill and our allies somewhat stay back and say, well, the United States is going to put the manpower in, they are going to put the money in, so we will just let them do it.

Look, make no mistake about it, investments have to be made to keep the world a safer place, but the U.S. taxpayer cannot be put on the line, and the soldiers, the different branches you represent, shouldn't be put on the line disproportionately. Meanwhile, we put a bunch of money into MILCON projects or other defense areas that our allies could invest in education, research and development (R&D), reduce taxes, do all sorts of other stuff.

So my question to you, and this is kind of a 30,000-foot view, in terms of the overseas MILCON, does this budget exacerbate our allies' overreliance on the United States military to provide for their security? And why or why not?

Lieutenant General Halverson.

General HALVERSON. Sir, I will tell you, this budget ensures that our allies are a cooperative partner with our military construction. The main one that we are asking for from a housing perspective is in Korea in the Daegu area, which is really tied to the provide the quality of life, to allow us to get off a lot of expensive leases and stuff we have that has been programmed for things.

It has been really important as we work, as you know, sir. Our regional alignment and what we are doing in the Army is twofold. One, in 2005 base realignment and closure (BRAC), we brought a lot of capability back to the United States and we built that up, and now we are rotating forces there like we have in Korea with the brigade that then goes into Humphreys and then goes up to be the deterrent force.

The Koreans have been working with us a lot. Of the \$10.9 billion, they have contributed a lot to that \$10.9 billion that we built down in Humphreys.

So collaboratively, we work very closely with all players to ensure that we do provide that capability that we do need. So our coalition partners are providing those places, like Japan and Korea, that really shows they have a stake in this readiness aspect and the deterrent capability.

Senator TESTER. Thank you for that answer. I would assume that depending on which ally you are talking about, it probably depends on how much they are contributing.

Overall, just overall, what kind of contribution do you see from our allies, whether it is a housing project, whether it is a runway project, whatever it would be? Would it be 1:1, every \$1 we put in, they put in a buck? Or would it be for every \$10 we put in, they put in a buck? What would it be?

General HALVERSON. Sir, I do not have those numbers on those things. I can tell you in Japan and stuff, there are very shared things for us running bases in Japan, where they pay the majority of a lot of the workforce and some of the sustainment aspects that we do have in Japan. So Japan has been doing almost 1:1, if not more, from that capability, from that partner.

Senator TESTER. That is good.

Thank you, Mr. Chairman. I will stick around for a second round.

Senator KIRK. Mr. Cassidy.

Senator CASSIDY. General Halverson, which partner does the poorest job of cost-sharing with us? I am just curious. You mentioned Japan is 1:1 or maybe a little bit above, and I like that line of questioning.

Which partner does the worst?

General HALVERSON. I would have to take that. I do not have the particulars of that, sir. But we do work very closely. A lot of it is in the Status of Forces Agreements (SOFA) that we work, and that is what is really important as we work that out from an intergovernmental perspective.

#### FORT POLK, LOUISIANA

Senator CASSIDY. You make a nice presentation in your testimony regarding the need to be very sharp, in terms of getting the biggest bang for buck from our MILCON dollar. Let me just thank you, by the way, again, for meeting the other day.

And let me also put a plug in. If Fort Polk is the one place where you are actually adding footprint, it does seem like the best use for the base is to continue to expand its capability, because, again, you make the case that it has to be strictly a kind of "does it work or not" sort of thing, so I will just put that plug in.

Obviously, you are familiar with the Joint Operations Center (JOC) and the issues regarding building that.

General HALVERSON. Yes, Senator. I will tell you, as you all know, Fort Polk is a remarkable post. The bottom line is it one of the two places—we have Fort Irwin with our National Training Center and then we have Fort Polk with our Joint Readiness Training Center. It is a huge training environment that we need to be able to shape the conditions for our brigade combat teams and all our soldiers to be able to create that environment where, therefore, they can ensure that no soldier goes into harm's way untrained.

We do appreciate the people of Louisiana working with us, so we have had a capability to get land and stuff, so, therefore, it creates a better environment for us to train. Working together, like you said, with our communities, with the State, really does provide us those capabilities.

So, therefore, as we have more time, we can train on large-scale, decisive operation type things, which are very complex. And that is what we are seeing at our Joint Readiness Training Centers and our National Training Centers, which are vital to us and our training opportunities.

Senator CASSIDY. Clearly, I have a stake in this, but it seems like you made a great case for going ahead and building the JOC on Fort Polk, because it does seem as if that will most efficiently use your resources, bringing the training facility to where the troops are stationed.

Obviously, those folks, some of whom are selling their home, their second home—they have previously sold a home that had been condemned. They are selling a second home. So there has been a tremendous commitment to our country by those who live close by.

General HALVERSON. Well, sir, I tell you, as you look at our fiscal year 2016 military construction, that is why we have invested in some mission command capability, which are our operations and command and control facilities. You have seen one in the cyber that we have asked for, and obviously the one that we are committing at Army north (ARNORTH) operation center.

So those are the commitment because mission command is a vital capability that we need for now and into 2025, so it is something that is a huge capability that we do need.

#### BARKSDALE AIR FORCE BASE, LOUISIANA

Senator CASSIDY. General Green, can you elaborate on your nuclear weapons upgrade at Barksdale and timeline and all that? You mentioned that before.

General GREEN. Yes, Senator. The timeline for Barksdale is a project to begin in 2018. So in 2 years, you would see a request, and that is outlined in the Future Years Defense Plan (FYDP) that you have available.

We would like to take the lessons that we have learned in the design of the F.E. Warren project, apply those at Barksdale. And then that would be a long-term upgrade, as you know, to that infrastructure there.

## BRAC AND OVERSEAS BASING

Senator CASSIDY. Okay.

Again, going back, General Halverson, to your testimony regarding the BRAC closing, and you mentioned the facilities overseas that you have as much as possible gone through and shut down facilities with spare space.

Can you give us an estimate of how many—I don't know this, I should—how many installations we have that are outside our borders that are under the MILCON supervision? How many square foot and how much we spend on their operations and maintenance (O&M), et cetera?

General HALVERSON. Sir, obviously, like you said, I will get the exact number of what is overseas and what is inside the Continental United States (CONUS) of America and stuff like that. But the challenge we have with our sustainment, restoration, and modernization (SRM) and stuff, and the things of how we sustain our buildings, is that from excess capacity to right now, about 18 percent, which our parametric gives us about 160 million square foot. And that costs us about \$480 million a year that we are doing to sustain excess—

Senator CASSIDY. That is both overseas and domestically?

General HALVERSON. That is holistically within our Army. One of the things, as you said, is overseas and that is why when we did our European Infrastructure Consolidation here this last year, it looked at this ability of how we look at BRAC, which is really looking at how we would facilitate maintaining capability. What is best military value? But reducing footprints—

Senator CASSIDY. Can you, maybe for the record, but give me a sense of how many facilities we do have overseas and how much we are spending on that O&M?

General HALVERSON. I will have to get that back with you, exactly the number of facilities and what that costs.

[The information follows:]

There are 27 Army installations outside of the U.S. border, consisting of a total of 151 million square feet, with a total Operation and Maintenance SRM cost, in fiscal year 2014, of \$712 million to maintain them.

Senator CASSIDY. I yield back. Thank you.

Senator KIRK. Mr. Schatz.

Senator SCHATZ. Thank you, Mr. Chairman.

## MARINE CORPS GUAM REALIGNMENT

Mr. Clifton, I want to discuss the realignment of marines from Guam, and I recognize that this is a key part of our Asia-Pacific rebalance. But I am getting increasingly worried about the cost.

I know that the initial estimate ranged from \$10 billion to \$18 billion. The Government Accountability Office (GAO) warned that the cost could be as high as \$27 billion. And I know the Marine Corps is looking at reworking and rescoping the proposal.

But I think the cost is still high in some areas, and I want to drill down into the various cost drivers. It seems to me that one of them is that Guam is very far away. It is a remote place. It does not necessarily have the workforce there, the materials there, so

construction costs are going to be high. I would like you to speak to that.

But I also think it is important for this subcommittee and for the Marine Corps and the MILCON process to recognize that one of the cost drivers is simply that you have to set up infrastructure from scratch in order to do the kind of lay-down that is being talked about. So whatever paring down of the per unit housing cost or the training facilities or whatever else it is, you still have a fixed cost that you are going to have to distribute among however many marines that are on Guam that has to do with the fact that you are doing this on Guam and not in a place where the infrastructure is perhaps more well-developed.

So if you could talk to the construction costs as a cost driver and then the problem of building the infrastructure nearly from scratch?

Mr. CLIFTON. Yes, sir. The cost in Guam for the relocation of marines there is split between the Japanese Government and the United States. The Japanese have committed about \$3.1 billion, a similar amount for the United States.

Some of the facilities are being improved. Family housing, for example, at Andersen Air Force Base is currently under discussion among all the services to take the existing housing, augment it for the 500 or so houses that are required by the Marines, and upgrade across-the-board.

For the training range that is in this budget, that is a new facility. It is \$126 million for—

Senator SCHATZ. Right, but just to be precise about my question, how much of the cost, and the GAO is raising the alarm about the potential total cost, has to do with the fact that it is more expensive to do construction on Guam? And then how much of that has to do with the fact that you are starting from scratch?

I think we just need to make choices when it comes to resources that recognize where the cost drivers are. And if you are saying it is roughly \$3 billion from the Japanese Government committed—not in, but committed—and then roughly \$3 billion from our Government, that does not cover the whole cost of the lay-down.

Mr. CLIFTON. For the marines, no, sir. It sounds like that is a good question for me to get the details and provide you back for the record. But I think your assumptions are correct, that it is more costly in Guam than perhaps in North Carolina or California even.

Senator SCHATZ. Or Hawaii?

Mr. CLIFTON. Or Hawaii.

So part of what is going on, and it makes those answers a little uncertain at this time, is it is far into the future, and part of the effort and focus of effort right now is to try to make those costs the most economical possible.

#### MARINE CORPS AMPHIBIOUS LIFT REQUIREMENTS

Senator SCHATZ. I had a conversation with General Dunford on the question of lift, and I understand it is not the MILCON subcommittee's jurisdiction to talk about lift. But I would like you to answer the following question. When I asked him if there was sufficient lift capability in the region to support the potential lay-down,

he was pretty crisp. He said no. So if we were to provide that lift, would that drive up the MILCON projected costs?

Mr. CLIFTON. For the Marine Corps, if additional amphibious lift was provided, it should not drive up the cost.

Senator SCHATZ. Okay. Thank you.

Mr. CLIFTON. But that is something I would need to clarify. As you spoke correctly, that is not my main swim lane for this testimony.

Senator SCHATZ. Okay. Thank you.

#### USARPAC

General Halverson, I wanted to talk to you about the U.S. Army Pacific (USARPAC) headquarters. I know it took an \$11 million cut in the last appropriations process, and I know you know how critical it is to the U.S. Army Pacific.

If you could talk about how important that headquarters is with respect to the Asia-Pacific pivot when it comes to the Army?

General HALVERSON. Thanks, Senator. I was stationed in the 25th during my major days, and I was very fortunate, although I am not sure "fortunate" was the word, but when I got selected to be the special assistant to the USARPAC commander, who was General Ord. When I go visit General Brooks, I am in the same headquarters I was when I was a major.

His scope of responsibility, obviously, has grown, especially because one of the lessons we have learned from war has been you need fusion points. You do not need stovepipes. You need to be able to facilitate a headquarters that becomes your mission command.

As you know, because of the \$11 million cut from last year, we are rescoping this year to be able to ensure that we are on glide path and then to be able to get this project. It is an iterative project.

We appreciate the subcommittee's support on this project, because this is vital for General Brooks and the Army's focus in the Pacific. So I really do appreciate the subcommittee's support as we move forward, because this will be a mission-essential capability that we need for the USARPAC.

Senator SCHATZ. Thank you.

I have exceeded my time, but I just wanted to say for the committee members, I have never seen a headquarters for a four-star that looks quite like the place on Palm Circle, so I want to be supportive as we get this thing done.

Senator KIRK. Ms. Collins.

#### PORTSMOUTH NAVAL SHIPYARD CONSTRUCTION REQUIREMENTS

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

Ms. Kern, at the request of the Navy, Congress authorized and approved funding for a project at the Portsmouth Naval Shipyard in Maine that consolidates structural shops. It is known as P-266.

The project aims to make submarines operationally available sooner to the fleet than otherwise would be the case were this project not completed. It is basically adopting a lot of lean manufacturing principles and is going to allow the shipyard to be even more efficient. In the end, I am sure it will not only return submarines to the fleet sooner but it will save money.

Because of the backlog in ship depot maintenance that Admiral Greenert has described due to sequestration, it is even more important that we move submarines through the yard as quickly as possible so that we can help return the Navy's fleet to its proper state of readiness.

Right now, there is an \$18 million reprogramming request to address some of the unanticipated costs associated with this project, and that is currently under review at the Office of the Chief of Naval Operations (OPNAV).

Could you tell us when we could expect a final decision on this request?

Ms. KERN. Senator Collins, thank you for your question, and thank you for your support of Portsmouth Naval Shipyard, which, like all of our naval shipyards, is critical to maintaining our warfighting readiness.

The reprogramming that you are asking about, P-266, is a fiscal year 2014 project and it actually requires an additional \$20 million to execute it. We are preparing a reprogramming package, which I actually endorsed yesterday, and so it has to make its way through the Navy channels and then on to the Office of the Secretary of Defense (OSD) before you will see it here in Congress.

Based on typical timeframes, I would imagine you would see it by early May, so you will see it soon. And provided that we have your support, we can get this project awarded in this fiscal year.

Senator COLLINS. Great. Thank you very much for your personal help on that.

I met just yesterday with the head of Naval Reactors, Admiral Richardson, and we were discussing the number of days per submarine that would be saved by moving forward with this project. He was very familiar with it, and his words are the efficiencies would be huge if we moved forward. So I am very pleased to hear this update and know that you understand that any way that we can improve the efficiency and effectiveness of our Navy's four public shipyards, we should really seize those opportunities.

#### BANGOR INTERNATIONAL AIRPORT FIRE/CRASH RESERVE STATION

General Green, many Air National Guard units share facility space with their civilian counterparts, and that is, certainly, true in Bangor, Maine, where the 101st Air National Guard Wing has a very important refueling mission.

The Air Force National Guard's proposed budget includes \$7.2 million to refurbish and increase the space for the Guard wing's fire and rescue facility for equipment, storage, and training in Bangor.

As part of the wing's joint use agreement with Bangor International Airport, the base provides all the fire and rescue capability for the airport. The airport is giving the base the opportunity for shared use of the runway, which is extremely lengthy, because it is a former Air Force base, and very well-positioned from a strategic location.

I want to thank you and General Welsh, who recently visited the airbase, for including this project in this year's budget. And I would like to offer you the opportunity to make any comments you wish

on the value to the Air Force of these dual-use bases where we can share expenses with the local community.

General GREEN. Thank you, Senator.

Dual-use facilities are exactly where we are moving in the future as we go to things. We are trying to make sure we partner across-the-board with our communities so that all of us leverage all of our real property and our assets, and this is a great example up at Bangor.

We are excited to have the opportunity to right size the fire station and rescue station, as you noted. They have outgrown their capacity. They are literally bursting at the seams so we can meet our mission and the local community's mission.

Again, I think it represents the kind of right investment that we need to be making in the future as we move forward.

Senator COLLINS. Thank you very much.

Thank you, Mr. Chairman.

Senator KIRK. Thank you.

The Senator for all of Milford, Connecticut.

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

#### NEW LONDON NAVAL BASE INVESTMENTS

Thank you all for being here. I want to come back to submarines, where Senator Collins began, and direct a question to you, Ms. Kern.

The increasingly aggressive forward deployment of the Russian sub fleet has gotten a lot of attention over the course of the last few years. We know of at least one instance in which we had a Russian submarine 200 miles off the east coast, and it speaks to the continued importance of our only submarine base in the northeast, which is in New London. And I appreciate the Navy's commitment to keeping this a sustainable operation.

But as you know, the State of Connecticut has made a pretty unprecedented commitment to that base as well, \$40 million has gone out of State coffers to continue to make investments there. And the most recent amongst these projects is a major smart energy electricity grid that is going to use Federal, State, and private sector funding in order to do some major upgrades in and around the base.

I am proud of what we are doing in Connecticut, but I am, frankly, interested as to whether our partnership is looked upon as a model for how operations and improvements may be made other places. We have made a substantial commitment in New London. We are committed to continuing that commitment.

But this, certainly, is a way in which we can potentially save some money in other areas of the budget. I just would love to know if this is, at least on the Navy's side, a model that is worth looking into in other places.

Ms. KERN. Senator, thank you for your question. That is actually a fascinating area, and I can get back to you on the specifics. But I know that we are looking at partnerships with several local communities across the United States for exactly that type of thing. We have various renewable and smart energy projects that are ongoing, and I would be happy to look into the specifics that are happening in the Connecticut area and get back to you on that, sir.

[The information follows:]

Partnering with local governments and industry to solve energy problems is very much a model that the Navy is leveraging across all of our bases. In Connecticut, the Navy has funded a design analysis and a grid integration analysis to construct a microgrid capable of providing reliable power to critical infrastructure during a commercial power outage. The microgrid will be designed to be expandable in the future, and it will have the capability to accept additional sources of electrical power such as fuel cells, diesel generators, and renewable energy. This effort is made possible through our partnership with the Connecticut Office of Military Affairs and with funding assistance from local government. With respect to renewable energy projects, the Navy is looking into a proposed project from one of our Public Private Venture housing partners to install 4–6 MW of solar generation on vacant housing land.

Senator MURPHY. Thank you very much.

#### EUROPEAN INSTALLATIONS

Let me turn overseas for a moment and ask a question of both General Halverson and General Green.

We have, since the end of the cold war, trimmed about 75 percent of personnel out of Europe. About 80 percent of our infrastructure is gone. And in January, the Department of Defense (DOD) just announced that we are going to be returning 15 additional sites across Europe to their host nations, and this is going to save the budget about \$500 million annually.

This is all happening at the same time that we are making a rather sizeable new commitment to security along Russia's western edge, our partners in Eastern Europe.

Have our plans regarding transfer of infrastructure to our European allies changed? Has any of our budgeting when it comes to facilities in Europe changed in light of what is happening today on the ground in Ukraine and in light of some of the major new commitments that we have made to European and Eastern European security?

General HALVERSON. Senator, I will take for Tim first, and then he can follow on, if he has anything to add.

I will tell you, it is very important, because like we said with the European Infrastructure Consolidation that we looked at those things, we really looked at this comprehensive infrastructure to ensure that we look at ourselves, so we would still have emphasis on military value, we would still have emphasis on capability that we would need, and we would still have emphasis on how we would fill our obligations with our allies and stuff like that.

So what we saved, and what you are hearing about the savings you hear about, the 33 recommendations that are from the Army, we could be saving up to \$168 million. So therefore, from a capacity perspective, if we have to do those, we still have a rotational brigade like we have, as you have heard, that we are in Poland, Estonia, and all those places, that we are there with a regional capability. And that is why you will see in the fiscal year 2016, we have asked for the maintenance facility to be Grafenwoehr, so therefore, we don't have to do second destination costs. We can sit there and rotate forces in there and sustain that equipment while it is in Europe, and therefore, we could have a much quicker capability and sustain those costs right there.

That is how we are looking at ourselves. Obviously, it is a concern to us, because of the things like we have seen with Russia and its overt capabilities. So we are looking at it very closely and working with United States Europe and seeing what they have to do.

But it really was the long-term plan that the U.S. European Command (EUCOM) had to bring through, and that is what we tried to do as we looked at those efficiencies internal.

Senator MURPHY. Anything to add, General Green?

General GREEN. Just for the Air Force, it is the same thing. The capacity, as we looked, the capacity evaluations we consolidated capability, or we moved capability from one location to another to make it closer to the fight. As we went through the consolidation, the European Infrastructure Consolidation, it looked at existing plans. And so there is still the existing capacity to support the operations that we need to have. So that did not go away.

And as we look at the European Reassurance Initiative, as we go through that process, those are some smaller projects. But we have the capacity to do what we need as a Nation in Europe.

Senator MURPHY. I understand the difference between maintaining operational capacity and having infrastructure, but these are countries that are clamoring for a very visible U.S. presence. It is the best way that we can send a message that we still stand behind article 5, and so I will continue to discuss this topic with you moving forward. Thank you very much.

Thank you, Mr. Chairman.

Senator KIRK. Dr. Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman.

And thank all of you all for being here. We very much appreciate your service to our country.

I would just like to get your views again, and I know you are probably getting tired of talking about it, but it is so important.

We are in the budget cycle right now, and the House has come out with its budget. We will be marking up our budget, I believe on Thursday.

#### SEQUESTRATION IMPACTS

Tell me, if we could just go through and talk about your concerns with sequestration.

General HALVERSON. Senator, I will lead. Very concerned. Gravely concerned. We already have in the budget we submitted in fiscal year 2016 is just the minimum requirements we have. With sequestration, like I said, it is an additional \$2 billion that we would have to phase. So, therefore, when you hear about our backorders of the \$3 billion backorders and stuff, now you will just exasperate that.

I had to submit a budget here that I can only afford 80 percent of my SRM dollars. Now it will be much lower. So, therefore, the concern you have or we have is with total readiness, that readiness to our soldier and the trust when they see these degradations of their capability. And they will not have the money. The ranges won't be quite well because we won't have the people to facilitate those.

Those are the concerns that we have that go to sequestration, because it will put us at a grave concern.

Senator BOOZMAN. So it translates to things like deferred maintenance?

General HALVERSON. Yes, sir.

Senator BOOZMAN. Thank you very much.

Ms. Kern.

Ms. KERN. Senator, thank you for your question. I mentioned in my opening statement, as General Halverson pointed out, that the fiscal year 2016 budget request represents the absolute minimum that we need in order to support the Nation's defense strategy. A return to sequestration in 2016 would cause us to revisit and revise the entire strategy globally.

While I can't talk about the specific impacts of sequestration, because it would be pure conjecture, I can tell you some concerns I have specific to MILCON based on how sequestration affected our MILCON program in 2013.

In 2013, each MILCON project was reduced by 7 percent. And with your support, we were able to reprogram MILCON dollars we had saved over several years due to a favorable bidding climate. However, we are starting to notice the bidding climate is trending less favorably. So therefore, I can't be certain that we will have the same flexibility to fill gaps in MILCON projects if sequestration in 2016 is applied in the same way.

In that case, we would either have to de-scope or cancel projects, so that would be my main concern with MILCON.

Senator BOOZMAN. Very good.

Yes, sir?

Mr. CLIFTON. Thank you, sir. General Dunford has already testified that sequestration will cause great harm to the security of our country. It greatly reduces the budget, obviously, and we are already at a minimum, as Ms. Kern pointed out. But sequestration also is an extremely inefficient way to allocate cuts. And for the reasons Ms. Kern mentioned for MILCON, the same effect would be on the Marine Corps.

It would preclude the Marine Corps from meeting requirements of the Defense Strategic Guidance and, more importantly, the requirements of the geographic combatant commanders. So there are significant impacts of sequestration in particularly the application of those cuts.

Thank you, sir.

Senator BOOZMAN. Thank you.

General.

General GREEN. Yes, Senator. Thank you.

General Welsh and Secretary James have both testified that their concern with the sequestered budget levels or the BCA levels are our ability as an Air Force to meet the National Defense Strategy. Our MILCON budget reflects the same thing as we go along the way. The MILCON follows the strategy. And so when you see a shift to the Asia-Pacific, we have investments in the Pacific. And when we are concerned about nuclear defense infrastructure, we have investments.

A sequestered budget or BCA budget is going to have us go back, with your support, you have gotten the budget request, there are going to be very difficult decisions across all those portfolios. We

simply won't be able to do all of the work that needs to be done in the years ahead, and all the easy decisions have been made.

So it is going to be a challenge for us. And, again, it is about having a strategy and being able to execute it. It falls into MILCON. It falls into FSRM. And so when we look at our facility sustainment, restoration, and modernization accounts, we will be having to make decisions about maintaining current facilities and trying to keep them whole, versus repairing them and upgrading them and, oh by the way, these projects that need MILCON, they are not going to get the MILCON so that maintenance money is going to be continued to be invested in facilities that we should be eliminating over time.

So it is a compounding problem that increases year to year, because of the compounding nature of it.

Senator BOOZMAN. Thank you.

And thank you, Mr. Chairman.

Senator KIRK. Mr. Tester.

Senator TESTER. Thank you, Mr. Chairman.

I would like to echo the statement that Ms. Kern said about the bidding climate. I think it has changed a lot in the last couple of years, and I think your ability to reprogram money, I think you are spot on. I just don't think it is going to be there.

#### ARMY NATIONAL GUARD FACILITIES

But my question is for you, General Halverson, and it deals with Army National Guard facilities. It is my understanding over the last 4 years, the funding for military construction in the Army National Guard has fallen by 85 percent. And it may be true in the Air Guard facilities, too. I am not sure about that. But I do know this.

It is also my understanding that the average age of our armories is about 43 years old, which if you are 58, 43 is not bad. But the truth is the adjutant generals (TAGs) have said that they are about 42 percent short of space. That is a problem.

Just like everybody else on this subcommittee, I have a spot where they need a new armory, down in Butte.

So my question is, to what extent are the National Guard Bureaus, TAGs, and Governors all a part of the budget conversations that you put forth to us?

General HALVERSON. Sir, I appreciate that. It is very transparent to our process that we do, because we have the one published facility investment strategy. And to that, we work very closely with General Lyons, General Grass, to ensure that we do hear their requirements.

The issue like you are saying is that we speak at all their forums and stuff to make sure that their word is heard. I do agree totally with you, that the issue that we really have to look at from their perspective is that their structures are failing. And we need to look clearly at their ability to sustain that, so they can consolidate.

That is one of the issues we heard, and that is why you will see within their military construction this year, we are actually investing in mission command-type capability and readiness centers for their particular needs.

Senator TESTER. So what you are saying is the TAGs, the Guard Bureau, and the Governors all have an opportunity to put their two bits in on this budget?

General HALVERSON. All their requirements, we look at their requirements. We vet their requirements. And, therefore, that is where you get the \$197 million.

Senator TESTER. Okay. One of the challenges, my understanding is, the States have is they have to have the land in hand, so to speak, before they get on the Future Years Defense Plan. In other words, they have to own the land. They have to buy it up. They have to hold it. And then you guys can put it in the cycle.

There are, understandably, few States willing to do that. Is this still something that needs to be done? Is this something you have heard much feedback on from Governors, for example?

General HALVERSON. I have not heard much feedback from Governors, sir, but when I do meet with them, I will ask those questions.

Senator TESTER. That is fine. I don't want to bring up something and rouse a hornet's nest that we don't need to either. But it would seem to me it is pretty difficult, especially when many States are running a deficit.

#### ASIA-PACIFIC REBALANCE

This next question goes to Ms. Kern and Mr. Clifton. The Navy and Marine Corps are playing a central role in our pivot—Senator Schatz talked about this—in the Pacific. Additional investments are going to be needed anywhere from California to Singapore, Guam, Australia, Japan, Hawaii.

However, the full cost of the MILCON association with the pivot is yet to be determined and far from clear. So my question is, what is the estimate for the Navy and the Marines associated with our pivot to Asia, short-term and long-term? Whoever wants to start can.

Ms. KERN. I will start, sir. Thank you.

We revisit our MILCON requirements based on our global requirements on an annual basis. We have a strategic lay-down and dispersal process that gives us the ability to assess our global force lay-down and ensure that our infrastructure will support it.

Senator TESTER. Yes.

Ms. KERN. Like I said, we conduct this process annually, and it can result in MILCON project requirements.

For example, in President's budget 2016, we have a project request that will expand our Child Development Center (CDC) in Yokosuka. The CDC will accommodate the increase independence we expect as a result of forward deploying two additional destroyers in support of our presence there.

In terms of the total overall bill with respect to what force structure we are going to have in the Pacific, it is a little too early to tell. But, like I said, we revisit these requirements annually.

Senator TESTER. Okay. Before I get to you, Mr. Clifton, look, I want to work with you guys, I do. But I never heard any answer to the question. I heard what you were doing specifically, okay. And look, I am a friend, not an enemy.

I really think it is really important, especially when we are talking about sequestration, that you know the figures, that at least you can come in and say, "You know what? Over the next 4 to 5 years this is going to cost," or, "Over the next 3 years, this is going to cost X number of dollars. Over the next 5, it is going to cost X," or however you guys do it.

If you don't, it makes me think that maybe, even though you do this strategic lay-down review annually, it makes me think that you are really not doing what you need to do if you don't know. I do not mean to preach to you, but do you want to talk about that?

Ms. KERN. Yes, sir. I would be happy to follow up with you on the specifics.

Senator TESTER. That would be good.

Ms. KERN. We do have a plan for the FYDP, but I just do not want you to think we have a plan and then we never look at it again. We do revisit it every year.

Senator TESTER. I think you need to look at it, but I also think it needs to be guidelines that you live by. And if you are expending more money than that plan, you need to probably talk to us about it. And if you are not spending as much, we need to give you a pat on the back and say thanks for looking out for the taxpayer dollars.

Mr. Clifton, would you like to answer that question?

Mr. CLIFTON. Yes, sir. In fiscal year 2014 and 2015, the Marine Corps invested about \$500 million in MILCON. In 2016, we are asking for \$255 million additional. In the future years, we are looking at \$1.2 billion in MILCON for the Pacific, not including family housing, which, as I mentioned earlier, is still dynamic because we are trying to cut the cost down there.

Senator TESTER. Got it.

So the numbers with quick math in my head, this overall thing is going to cost about \$2 billion for the Marines?

Mr. CLIFTON. In the construction, yes, sir.

Senator TESTER. Okay. Thank you very, very much.

Mr. CLIFTON. And just—

Senator TESTER. Go ahead.

Mr. CLIFTON. I was only going to say that, again, we mentioned what good allies the Japanese have been in this, and they are putting in about \$10.2 billion in the kitty for this, about \$12 billion, excuse me—\$8 billion for consolidation in Okinawa, about \$4 billion to \$5 billion for the Futenma replacement facility in Camp Schwab, and about \$3.1 billion in Guam.

Senator TESTER. Okay. That is good on them.

I do think that Senator Cassidy's question about who is contributing what helps, too. So thank you.

And thank you all for your service. Thank you for being here. I appreciate the jobs you guys do.

#### ADDITIONAL COMMITTEE QUESTIONS

Senator KIRK. Is it okay if we make that it? I will advise everybody that the record will remain open until the close of business on Friday. Members may submit additional questions, if they would like.

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

QUESTIONS SUBMITTED TO LIEUTENANT GENERAL DAVID D. HALVERSON

QUESTIONS SUBMITTED BY SENATOR MARK KIRK

SEQUESTRATION

*Question.* The President's fiscal year 2016 request is \$74 billion above the BCA cap in total. Clearly some difficult choices need to be made about the Defense budget and the MILCON program, which represents a 29 percent increase over last year's historically low MILCON request.

Where are the services taking risk in this budget request? How manageable are the risks over the long term?

*Answer.* The Army is continuing to take risk to maintain, restore, and modernize its facilities and infrastructure across the spectrum of the Army's facility management portfolio. The Army manages this risk by ensuring the highest priority MILCON projects are requested in the budget within funding constraints. Deferring sustainment, modernization, restoration, and MILCON requirements will result in a more rapid decline of facility life-spans.

While fiscal year 2016 limitations present challenges across all Army installations, further budget reductions would substantially increase risks to soldier readiness and wellbeing. Over the long term, the cost to restore or modernize facilities increases significantly as the Army continues to take risks in facility investments in order to mitigate the impact to its readiness from the reduced budgets of recent years.

*Question.* How much risk have you already taken in your infrastructure portfolio?

*Answer.* We continue to take risk in our infrastructure portfolio to maintain, restore, or modernize our facilities and infrastructure during this period of reduced funding levels. Approximately 69 percent of Army facilities are in good condition. About 24 percent of Army facilities are rated fair or poor, and approximately 7 percent of facilities are rated as failing. Our risk mitigation and facility investment efforts resulted in a majority of our facilities being rated at the highest quality by 2014. However, further budget reductions would increase the number of substandard facilities and substantially increase risks to soldier readiness and wellbeing. Consistent, predictable funding would help the Army further mitigate risks to its infrastructure and installation readiness.

*Question.* What would the consequences of sequestration be for your fiscal year 2016 MILCON programs?

*Answer.* The consequences of sequestration on the Army's fiscal year 2016 MILCON programs would create critical delays in fulfilling operational requirements and would continue to cascade facility needs into the future. Sequestration would increase the risks in facility investments in order to mitigate the impact to unit readiness from the reduced budgets of recent years.

This creates a backlog of construction projects required to replace poor and failing facilities. Further prolonged under-investment will cause accelerated degradation of the facilities that will ultimately result in increased requirements for replacement facilities through military construction. We are already operating out of many inadequate facilities across the Army and owe our soldiers and families adequate facilities in which to train, operate and live.

FACILITY CONDITIONS

*Question.* The O&M money allocated for facilities sustainment has declined over the last few years, and the Services can only fund 90 percent or 80 percent or even 70 percent in some cases. These decisions may require additional MILCON in the future to replace neglected facilities.

In general, what are the conditions of your facilities? What percentage are failing? What percentage near failure?

*Answer.* In general, 69 percent of Army facilities are in good condition, and 12 percent are in fair condition. Approximately 12 percent of Army facilities are rated poor, equating to near failure, and approximately 7 percent of facilities are rated as failing.

## QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

*Question.* The gap between the 6,000 people that the Army recognizes at Ft. Meade and the reality of the 50,000 people who actually work there is substantial and greatly contributes to the deterioration and substandard maintenance funding for the installation. When are you going to recognize what the real life situation is and fund Ft. Mead for the 50,000 people who actually work there?

*Answer.* The Army's official database of record for Installation population does recognize the Fort Meade workforce of 51,158 personnel, including over 40,000 military service members and government civilians. Within those numbers are over 100 Federal agencies and units, many of which are reimbursable to the Garrison for their facilities and services. In keeping with the Army's facilities sustainment, restoration and modernization practices applied across all its installations, these workforce figures are indeed being applied in determining Fort Meade facility funding requirements.

*Question.* How do you expect to attract the most talented people in the Nation to work on Ft. Meade if the buildings are so old they stifle the mission? Don't you think it is important for the Army and the Nation to have that talent working on future solutions for our forces? But they probably don't want to work in labs that can fall apart!

*Answer.* The Army agrees it is important to the Nation that we have the most talented workforce working on the future solutions for our forces. The Army is committed to providing quality facilities commensurate with the quality and talent of our servicemembers and civilian workforce. Of the facilities rated on Fort Meade, just over 7 percent are in failing condition, which is comparable to the Army average for Q4-rated facilities. By focusing our limited resources on our highest priority infrastructure, the Army, through its facility investment strategy, is continuing to take risk to ensure funding for unit readiness meets national security missions.

*Question.* I have been to Ft. Meade and talked to the Garrison Commander about his priorities for the installation but yet, when the budget comes out, the projects that are funded don't match the need. Where is the breakdown in this process and what are you going to do to make sure that funding is synchronized with what people need at Ft. Meade?

*Answer.* The low funding levels during the recent years have significantly impacted the Army's ability to fund sustainment, restoration, modernization, and construction across all Installations. The Army is continuing to take risk in this area to ensure funding for unit readiness to meet national security missions. The Army has synchronized facility requirements for all Installations by following the Army Facility Investment Strategy, that for the Army's highest priorities, evaluates how to meet mission and facility needs.

Senior Commanders of Army Installations submit projects and the Army evaluates, prioritizes and funds the highest priority projects within the funding available in the military construction and restoration and modernization programs. The Facility Investment Strategy is the synchronization tool the Army uses, at the current levels of funding, to ensure that the highest priority needs of the Army can be met balanced with unit readiness.

## QUESTIONS SUBMITTED BY SENATOR TAMMY BALDWIN

## FORT MCCOY

*Question.* As a Total Force Training Center, Wisconsin's Fort McCoy plays a crucial role in the training and mobilization of the U.S. Armed Forces, ensuring that our servicemembers are fully prepared to respond to any contingency. As such, it is critical that the Army continues to invest in Fort McCoy, maintaining the installation's ability to support the readiness and quality of life of our soldiers and their families. For fiscal year 2015, Congress took a positive step and provided the Army Reserve with additional funding for pressing military construction projects, including \$17.7 million for an "Access Control Point/Mail/Freight Center" at Fort McCoy. This project is important to the safety and security of our military personnel, their families and the workforce at Fort McCoy.

Please explain how this project fulfills an Army requirement and fits into the Army's facility strategy.

*Answer.* This project will provide Fort McCoy with an Access Control Point compliant with Department of Defense and Army Antiterrorism and Force Protection standards to accommodate commercial deliveries. The existing Mail and Freight Fa-

cilities are located in World War II wood facilities and are located within the central cantonment area. The location of the existing facilities does not permit mail/freight screening before materials and vehicles enter the installation perimeter. The project will allow the installation to safely receive, screen, process, transfer, and ship all mail and freight. The integrated material transfer facility will allow for the centralized offloading and screening of mail and freight which is not currently permitted during heightened threat scenarios when commercial traffic is not allowed within the cantonment area.

This project addresses two of the key tenets from the Army Facility Investment Strategy; the elimination of failing World War II wood facilities, and building out the most critical facility shortfalls. The Facility Investment Strategy provides a comprehensive approach to determine the best solution for facilities requirements across the Army in priority by the highest need. The Fort McCoy Access Control Point/Mail/Freight Center project represents one of the high priority needs of the Army.

*Question.* Please provide the status of this project, including whether the funding has been released.

*Answer.* The project is fully designed and ready to be advertised. The construction funds have been provided to the Corps of Engineers to advertise and award the project.

*Question.* What is the project schedule, including the expected date of completion?

*Answer.* The Access Control Point/Mail Freight Center project is fully designed and is scheduled to be advertised through Federal Business Opportunities website on May 11, 2015. The contract is expected to be awarded no later than September 30, 2015. Based on the estimated contract duration, the project should be completed by August 30, 2017.

*Question.* It is my understanding that the Army Reserve's current Future Years Defense Program (FYDP) for military construction includes three projects at Fort McCoy: (1) a Transient Training dining facility in fiscal year 2018; (2) an Annual Training (AT)/Mobilization (MOB) dining facility in fiscal year 2019; and (3) an Access Control Point for West Gate 113 in fiscal year 2020. I appreciate the Army's inclusion of these critical projects in the FYDP, but I also recognize that the FYDP—while a statement of Army priorities—is subject to change.

For each project, please provide the following: How each project addresses Army requirements and fits into the Army's facility strategy; A detailed description of each project, including, at a minimum, cost, schedule, and contract overview.

*Answer.* (1) The Transient Training Dining Facility is programmed in fiscal year 2018 for \$11 million. If funded in the budget, the estimated contract award date is February 2018. The construction start date would be April 2018 with a completion date of April 2020. This project will provide a new dining facility based on the standard design Operational Readiness Training Complex Dining Facility for 1,428 persons. The construction of this facility will provide the third of four large dining facilities necessary to support Fort McCoy's entire transient training dining operations required to feed soldiers which are mobilizing and participating in annual training exercises. The project addresses the Army Facility Investment Strategy tenets of efficient space management to Army standards, and eliminate failing World War II wood facilities.

(2) The Annual Training/Mobilization Dining Facility is programmed in fiscal year 2019 for \$22.5 million. If funded in the budget, the estimated contract award date is February 2019. The construction start date would be April 2019 with a completion date of April 2021. This project will provide the fourth of four required Operational Readiness Training Complex Dining Facilities. With the construction of this 2600 person facility, Fort McCoy's entire transient training population will function out of four large facilities. The project addresses the Army Facility Investment Strategy tenets of efficient space management to Army standards, and eliminate failing World War II wood facilities.

(3) The Access Control Point West Gate 113 is programmed in fiscal year 2020 for \$8.8 million. If funded in the budget, the estimated contract award date is February 2020. The construction start date would be April 2020 with a completion date of April 2022. This project will replace a substandard gate with an approved Army standard design access control point. Projects that bring Access Control Points up to Army standards are high priority requirements and support the Facility Investment Strategy.

*Question.* In the Army's fiscal year 2015 budget request, the Access Control Point for West Gate 113 was scheduled to be funded in fiscal year 2019. Please explain why the Army Reserve pushed back the project by 1 year.

*Answer.* The Army and Army Reserve conducts annual reviews of all projects to ensure projects continue to be supported by the Army Facility Investment Strategy and represent the most urgent requirements. The Fort McCoy, Wisconsin Access Control Point (ACP) for West Gate 113 was pushed back a year as a result of the annual review of Army Reserve Military Construction requirements coupled with reduced funding levels. There were multiple changes in fiscal year 2018, fiscal year 2019, and fiscal year 2020 of the fiscal year 2016 budget request Future Year Defense Plan.

*Question.* Does the Army Reserve plan to change the funding or schedule of any of the three currently planned projects at Fort McCoy? Please explain.

*Answer.* Until the fiscal year 2017–2021 Future Years Defense Program development is completed, it is premature to determine if any projects, including the Fort McCoy projects, will be affected.

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QUESTIONS SUBMITTED TO ERIN M. KERN

QUESTIONS SUBMITTED BY SENATOR MARK KIRK

SEQUESTRATION

*Question.* The President's fiscal year 2016 request is \$74 billion above the BCA cap in total. Clearly some difficult choices need to be made about the Defense budget and the MILCON program, which represents a 29 percent increase over last year's historically low MILCON request.

Where are the Services taking risk in this budget request? How manageable are the risks over the long term?

*Answer.* To ensure the Navy remains a balanced and ready force while complying with reduced funding, we were compelled to make difficult choices in PB-16, including: slowing cost growth in compensation and benefits; deferring some ship modernization; deferring procurement of 18 of Navy's most advanced aircraft; delaying over 1,000 planned weapons procurements; and continuing to reduce funding for base facilities sustainment, restoration, and modernization.

When restoring and modernizing our infrastructure, we intend to prioritize life/safety issues and efficiency improvements to existing infrastructure and focus on repairing only the most critical components of our mission critical facilities. By deferring less critical repairs, especially for non-mission-critical facilities, we are allowing certain facilities to degrade and causing our overall facilities maintenance backlog to increase. We acknowledge this backlog must eventually be addressed.

*Question.* How much risk have you already taken in your infrastructure portfolio?

*Answer.* To comply with fiscal constraints, we are compelled to continue accepting risk in shore infrastructure investment and operations. We are funding the sustainment, restoration, and modernization of our facilities only enough to arrest the immediate decline in the overall condition of our most critical infrastructure. Although fiscal year 2016 marks an improvement in the facilities funding when compared to fiscal year 2015, Navy is still below the DOD goal for facilities sustainment. Facilities sustainment also declines in the Future Years Defense Plan in order to preserve the operational readiness of our Fleet.

*Question.* What would the consequences of sequestration be for your fiscal year 2016 MILCON programs?

*Answer.* As the Chief of Naval Operations has testified, a return to sequestration in fiscal year 2016 would necessitate a revisit and revision of the defense strategy. Required cuts will force us to further delay critical warfighting capabilities, reduce readiness of forces needed for contingency response, forego or stretch procurement of ships and submarines, and further downsize weapons capacity.

Due to the funding shortfalls over the last 3 years, we have been compelled to reduce funding in shore readiness since fiscal year 2013 to preserve the operational readiness of our fleet. As a result, many of our shore facilities are degrading. At sequestration levels, we expect the condition of our shore infrastructure—including piers, runways, and mission-critical facilities—will erode. This situation may lead to structural damage to our ships while pierside, aircraft damage from foreign object ingestion on deteriorated runways, and degraded communications within command

centers. We run a greater risk of mishaps, serious injury, or health hazards to personnel.

While I can't talk about the specific impacts of sequestration in fiscal year 2016 because it would be pure conjecture, I can tell you some concerns I have specific to MILCON based on how sequestration affected our MILCON program in 2013. In 2013, each MILCON project was reduced by 7 percent. With support from Congress, we were able to reprogram MILCON dollars we had saved over several years due to a favorable bidding climate. However, we're starting to notice that the bidding climate is trending less favorably. So therefore, I can't be certain that we'll have the same flexibility to fill gaps in MILCON projects if sequestration in 2016 is applied in the same way. In that case, we would either have to de-scope or cancel projects.

#### FACILITY CONDITIONS

*Question.* The O&M money allocated for facilities sustainment has declined over the last few years, and the Services can only fund 90 percent or 80 percent or even 70 percent in some cases. These decisions may require additional MILCON in the future to replace neglected facilities.

In general, what are the conditions of your facilities? What percentage are failing? What percentage near failure?

*Answer.* Approximately 50 percent of the Navy's shore infrastructure is in adequate condition, which can be classified as "Good" or "Fair." However, 12 percent of Navy infrastructure is in a condition classified as "Failing." We will continue to carefully and deliberately manage the risk we are taking in our Shore enterprise, with the understanding that chronic underinvestment in our shore infrastructure takes a toll on our ability to support deploying forces.

I can assure you that the safety of our people is paramount, and we closely monitor the conditions of our facilities to ensure there are no risks to our personnel.

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#### QUESTIONS SUBMITTED BY SENATOR BARBARA A. MIKULSKI

*Question.* Indian Head has engineers strung all over the installation in old run down buildings and needs a new engineering complex so they can have more effective collaboration. Again, when the budget comes out this project is not there. When do you see Indian Head being able to upgrade their facilities?

*Answer.* The Navy has more than \$100 million in Military Construction (MILCON) projects currently underway at Naval Support Activity Indian Head to improve facilities and support infrastructure, including an fiscal year 2011 MILCON project to construct a new Agile Chemical Facility, an fiscal year 2012 MILCON project to modernize the utilities system, and an fiscal year 2015 project to construct an Advanced Energetics Research Laboratory Complex. We will continue to carefully evaluate and prioritize proposed construction projects with all other competing requirements as we balance risk across the Navy. It is our goal to provide the greatest warfighting readiness and capability with the limited resources available.

*Question.* What are the consequences when a mission as important as Indian Head's is forced to be carried out in aging infrastructure?

*Answer.* The important work being performed across Navy's shore enterprise, including the Naval Surface Warfare Center at Indian Head, is critical to the Navy's mission success. Nevertheless, to comply with today's fiscal constraints, we are compelled to continue accepting risk in shore infrastructure investment and operations to preserve the operational readiness of our Fleet. We acknowledge that degraded infrastructure can impact a command as it performs its mission, and we will continue to carefully and deliberately manage this risk as we invest in our shore enterprise.

*Question.* How does this help us recruit?

*Answer.* Navy is compelled to continue accepting risk in shore infrastructure investment and operations to comply with fiscal constraints. We will continue to carefully and deliberately manage the risk we are taking in our Shore enterprise, with the understanding that chronic underinvestment in our shore infrastructure takes a toll on our ability to support deploying forces.

## QUESTIONS SUBMITTED TO DAVID R. CLIFTON

## QUESTIONS SUBMITTED BY SENATOR MARK KIRK

## SEQUESTRATION

*Question.* The President's fiscal year 2016 request is \$74 billion above the BCA cap in total. Clearly some difficult choices need to be made about the Defense budget and the MILCON program, which represents a 29 percent increase over last year's historically low MILCON request.

Where are the Services taking risk in this budget request? How manageable are the risks over the long term?

*Answer.* The fiscal year 2016 President's budget represents the bare minimum at which the Marine Corps can meet current Defense Strategic Guidance, prioritizing near-term readiness at the expense of modernization and facilities maintenance. Today, approximately half of the Marine Corps' home station units are at an unacceptable level of readiness. Investment in the future is less than what is required, and infrastructure sustainment is budgeted at 81 percent of the requirement, well below the Department of Defense standard of 90 percent. While assuming this risk helps us to meet near-term fiscal challenges, it will only serve to drive up costs over the long term as our degraded facilities become more expensive to repair. Additionally, the Marine Corps has significantly reduced many of the programs that have helped to maintain morale and family readiness through over a decade of war, and the deployment-to-dwell ratio is being maintained at a very challenging level. The operating forces are deploying for up to 7 months and returning home for 14 or less months before redeploying.

*Question.* How much risk have you already taken in your infrastructure portfolio?

*Answer.* In order to protect near-term readiness the Marine Corps will continue to take risk in sustaining current infrastructure in support of operational readiness. The fiscal year 2016 budget funds 81 percent of the OSD facilities sustainment model requirement for the Marine Corps. The OSD guidance is to fund 90 percent of the requirement.

The Marine Corps is aware that underfunding facilities sustainment increases the rate of degradation of Marine Corps infrastructure, which leads to more costly repair, restoration and new construction in the future.

*Question.* What would the consequences of sequestration be for your fiscal year 2016 MILCON programs?

*Answer.* The fiscal year 2016 President's budget represents the bare minimum at which the Marine Corps can meet its obligations under the current Defense Strategic Guidance. This budget prioritizes near-term readiness at the expense of modernization and facilities. In order to ensure the readiness of our deployed forces under sequestration, we would be forced to assume even more risk in long-term infrastructure sustainment and investment in new facilities.

Sequestration would significantly degrade the condition of our installation infrastructure, including training, runways, and mission-critical facilities. It would also lead to the delay or cancellation of needed military construction and sustainment, restoration, and modernization projects. The degradation of our facilities would accelerate, compelling the use of inadequate and obsolete facilities by Marines and their families as well as our civilian workforce.

## FACILITY CONDITIONS

*Question.* The O&M money allocated for facilities sustainment has declined over the last few years, and the Services can only fund 90 percent or 80 percent or even 70 percent in some cases. These decisions may require additional MILCON in the future to replace neglected facilities.

In general, what are the conditions of your facilities? What percentage are failing? What percentage near failure?

*Answer.* As of the end of fiscal year 2014, the average condition of facilities across the Marine Corps is rated as fair. 6.34 percent of Marine Corps facilities are in failing condition. 10.61 percent of Marine Corps facilities are in poor (near failure) condition.

## QUESTIONS SUBMITTED TO BRIGADIER GENERAL TIMOTHY S. GREEN

## QUESTIONS SUBMITTED BY SENATOR MARK KIRK

## SEQUESTRATION

*Question.* The President's fiscal year 2016 request is \$74 billion above the BCA cap in total. Clearly some difficult choices need to be made about the Defense budget and the MILCON program, which represents a 29 percent increase over last year's historically low MILCON request.

Where are the Services taking risk in this budget request? How manageable are the risks over the long term?

*Answer.* In the fiscal year 2016 President's budget request, the Air Force begins to ameliorate the impacts of risk taken in previous years by increasing funding in installation support, military construction, and facilities sustainment.

This President's budget request takes a critical step toward recovering the Air Force. However, even at fiscal year 2016 President's budget levels, the Air Force remains stressed to do what the Nation asks of us. To truly reverse the erosion of American airpower requires sustained commitment, stability, and the decision-space to invest each taxpayer dollar where it can best deliver the most combat power.

*Question.* How much risk have you already taken in your infrastructure portfolio?

*Answer.* In its fiscal year 2015 President's budget request, the Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. To help achieve that balance, the Air Force elected to accept additional risk in installation support, military construction, and facilities sustainment in fiscal year 2015. However, in its fiscal year 2016 request, the Air Force begins to ameliorate the impacts of that risk by increasing funding for installations in all three of the areas noted above.

*Question.* What would the consequences of sequestration be for your fiscal year 2016 MILCON programs?

*Answer.* Without relief from the 2011 Budget Control Act (BCA) in fiscal year 2016, the risk assumed to Air Force infrastructure could have severe impacts to mission readiness. At BCA levels, the Air Force would be forced to reduce military construction funding resulting in reduced support to combatant commands, reduce funding to upgrade the nuclear enterprise and support for new weapon systems beddowns, and eliminate permanent party dormitories from the fiscal year 2016 President's budget request.

A sequester-level budget would undermine the Department's ability to meet the current defense strategy, have consequences to national security at a time when our military is stretched on a whole range of issues. Therefore, the Department urges Congress to support the budget the President has put forward, which will avoid harmful BCA reductions.

## FACILITY CONDITIONS

*Question.* The O&M money allocated for facilities sustainment has declined over the last few years, and the services can only fund 90 percent or 80 percent or even 70 percent in some cases. These decisions may require additional MILCON in the future to replace neglected facilities.

In general, what are the conditions of your facilities? What percentage are failing? What percentage near failure?

*Answer.* The average facilities condition index (FCI) for all Air Force facilities is 92. Any facility with a FCI less than 60 is considered to be "failing." On the basis of plant replacement value, 5.8 percent have a FCI of 59 or less. Another 2.1 percent have a FCI between 60 and 69.

## QUESTIONS SUBMITTED BY SENATOR TAMMY BALDWIN

## WISCONSIN AIR NATIONAL GUARD

*Question.* The dedicated Airmen of the Wisconsin Air National Guard perform a dual State-Federal operational role; consequently, they must always be ready to defend the homeland or deploy abroad. Access to high-quality installations is a critical part of maintaining that readiness. Accordingly, I am concerned that the Air National Guard has not programmed any military construction funding in Wisconsin over the last 5 years. Furthermore, there is only one Air National Guard military

construction project in Wisconsin in the current Future Years Defense Program (FYDP). In other words, that is one project over a 10-year period for an entire State.

Please describe the impact on readiness and modernization, if any, on the Air National Guard's military construction program for Wisconsin for the period fiscal year 2010 to fiscal year 2020. If there is an impact, please describe the level of risk associated with such impact.

*Answer.* The fiscal year 2010–2020 period for the Wisconsin Air National Guard (ANG) includes the \$4.2 million military construction (MILCON) project to Add/Alter Building 500 for Medical Training at Truax Field. This project will improve the condition of the facilities used by the 115th Medical Group, a sub-unit of the 115th Fighter Wing assigned to the base. This includes construction of 5,900 square feet and alteration of 8,500 square feet of facility space. The project supports the training of medical professionals assigned to the unit, the medical readiness evaluation of military members assigned, and the full operational capability beddown of an Expeditionary Medical Support-Consequence Management function which can deploy to support emergency medical requirements for the Chemical, Biological, Radiological, and Nuclear Emergency Response Force Package unit assigned to Wisconsin; a domestic operations capability. The level of risk associated with not providing this facility project is generally assessed as moderate to significant impact to assigned training mission.

Also, in October 2012, the ANG completed a fiscal year 2010 MILCON project to provide an addition to the Corrosion Control Hangar at General Mitchell Air Guard Station, Milwaukee. This project greatly enhanced the 128th Air Refueling Wing's capability to maintain the assigned aging KC-135 aerial refueling tanker fleet.

*Question.* Are there existing Air National Guard military construction requirements in Wisconsin that remain unprogrammed and unfunded because of current limited budgetary resources? If yes, please describe those projects in order of priority.

*Answer.* Each year the Air National Guard (ANG) gathers facility recapitalization requirements from the 54 States and Territories by surveying State Adjutant Generals for their highest priorities. The Air Force provides a scoring model used to prioritize all Military Construction (MILCON) requirements across Components.

The Adjutant General of Wisconsin submitted the \$4.2 million Truax Field Add/Alter Medical Training Facility MILCON project as the State's highest priority for the current FYDP. This project is included in fiscal year 2020 of the fiscal year 2016 President's budget FYDP.

*Question.* The sole Wisconsin military construction project in the current FYDP is a fiscal year 2020-scheduled \$4.2 million addition/alteration of Building 500 for medical training at Dane County Regional-Truax Field, the home of the 115th Fighter Wing of the Wisconsin Air National Guard. This project reflects the importance of Truax Field to supporting the readiness and quality of life of our servicemembers and their families. I appreciate the inclusion of this critical project in the FYDP, but I also recognize that the FYDP—while a statement of Air National Guard priorities—is subject to change.

Does the Air National Guard plan to change the funding or schedule of the Building 500 project? Please explain.

*Answer.* The \$4.2 million military construction (MILCON) project to add to and alter the Medical Training facility at Truax Field provides adequately sized and appropriately configured facilities for the medical training functions of the 115th Fighter Wing. This includes construction of 5,900 square feet and alteration of 8,500 square feet of facility space, and allows the unit to vacate three buildings, when completed. The project remains a high priority for the Air National Guard (ANG).

*Question.* What is the project schedule, including the expected date of completion?

*Answer.* At the present time, the ANG has no plans to change the funding or schedule for the project. A project scheduled for fiscal year 2020 construction would be expected to enter design by fiscal year 2019, allowing the design to be completed by fiscal year 2020. Given fiscal year 2020 funding support from Congress, the project could begin construction in the spring of 2020, and be ready for occupancy approximately 12 months later.

*Question.* How does the project address Air National Guard requirements?

*Answer.* The project supports the training of medical professionals assigned to the unit, the medical readiness evaluation of military members assigned, and the full operational capability beddown of an Expeditionary Medical Support-Consequence

Management function which can deploy to support emergency medical requirements in a contingency environment.

SUBCOMMITTEE RECESS

Senator KIRK. We will be having a hearing on Thursday, March 19, on the Veterans Administration at 10:30 a.m.

With that, we will adjourn.

[Whereupon, at 3:39 p.m., Tuesday, March 17, the subcommittee was recessed, to reconvene Thursday, March 19, which was later postponed to Thursday, March 26, at a time subject to the call of the Chair.]