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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 2026

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED NINETEENTH CONGRESS

FIRST SESSION

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PART 1

	Page
Members' Day	**1**
United States Army	**19**
The United States Air Force and Space Force	**141**

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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 2026

TUESDAY, FEBRUARY 25, 2025.

MEMBERS' DAY

OPENING STATEMENT OF CHAIRMAN CALVERT

The CHAIRMAN. Good afternoon. Today the subcommittee will hold an open hearing. So we will come to order, in which all Members of the House had been invited to testify on their priorities for fiscal year 2026, Department of Defense Appropriations Act. Of course, we haven't done that for fiscal year 2025, but I just bring that up.

The subcommittee obviously receives thousands of Member requests per year. Ranking Member McCollum and I take requests from both sides of the aisle very seriously. We also take our constitutional responsibility to provide our Nation defense seriously as well.

As we are well aware, the world is in chaos. Not just the world, Washington, D.C. China is increasingly aggressive by the day, and it continues to act as a bully in the Indo-Pacific. The war in Ukraine continues as it remains under threat from Iranian proxies and continues to recover following a brutal, unprovoked attack by a terrorist group Hamas. Therefore, it is vital that the United States have the capability and capacity to respond to those who wish us harm.

While I recognize we must complete our work on fiscal year 2025, we must also begin to lay the foundation for a fiscal year 2026, Department of Defense Appropriations Act, in order to respond to these threats.

Again, I am hopeful we can soon complete fiscal year 2025 bill and build upon the great work the subcommittee has put in to delivering that product. We must continue to find ways we can work together to increase efficiencies within the Department of Defense, invest and innovate in the capacities and capabilities our servicemembers need and provide them with the quality of life they deserve.

I thank the Members that are here to provide testimony in support of those bills. I now recognize the distinguished ranking member, Ms. McCollum, for her opening remarks.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chairman. And I look forward to hearing more about the priorities of the members testifying be-

fore us today. As you said, there are many challenges that we are facing as a country. And we are facing some challenges, very serious challenges, in my opinion here as a Nation as we try to organize ourselves to make sure that we provide the services the American people need.

As you pointed out, China and some other hotspots that I would just take a second to reflect on the citizens of Ukraine, who are under constant environment threats, unprovoked war by Russia trying to change maps and questioning the rule of law. And as you—we think about the hostages in Gaza and the Palestinians that are also being released. Let us keep in mind the children of Ukraine who have been kidnapped and held captive in Russia. With that, I yield back.

The CHAIRMAN. I thank the gentlelady. We will now begin with Members' testimony. Without objection, all testimony submitted by Members will be entered in the record. So ordered. Each Member will have 5 minutes for their remarks. When their timer turns yellow, you have one minute remaining.

The gentleman from Indiana is recognized for 5 minutes.

WEDNESDAY, FEBRUARY 27, 2025.

STATEMENT OF THE HON. RUDY YAKYM, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

SUMMARY STATEMENT OF MR. YAKYM

Mr. YAKYM. Thank you, Chairman Calvert and Ranking Member McCollum, for holding this hearing today. I am grateful for the opportunity to come before this committee and share my defense priorities for the upcoming fiscal year.

Throughout my tenure in Congress, my top appropriations priority has always been ensuring that the Humvees maintain strong funding that continues to support military readiness in the U.S. industrial base. This remains my top priority this year.

Mr. Chairman, you and I have spoken several times about the importance of the light tactical vehicle programs, especially the Humvees, to my constituents, our warfighters, and the broader industrial base. It is essential that we continue strong funding to support this vital program as well as the joint light tactical vehicle program.

AM General has proudly been manufacturing Humvees in Mishawaka, Indiana, for the past 40 years. AM General's innovation, resourcefulness, and constant modernization has made the Humvee the cornerstone of the LTV fleet for the past four decades.

The Humvee has served on countless missions at home and abroad. Currently, the National Guard is deploying with Humvees in their mission to secure the southern border. AM General's long history of manufacturing Humvees has positioned the company to be a new manufacturer for the Army's Joint Light Tactical Vehicle A–2 variant, or JLTV.

The JLTV A–2 has a greater payload, blast protection, and armoring capability due to its weight and size relative to the lighter, more mobile Humvee. The JLTV–2 is now in production in a state-of-the-art manufacturing facility that features more than 250 en-

hancements to the original JLTV, which provides greater mobility, reliability, and technical capabilities.

As you know, the Humvee and JLTV are essential to ensuring the Army and Marine Corps' readiness for today's missions and potential future threats. The Army has publicly stated that there will be over 49,000 JLTVs, and 55,000 Humvees in the fleet until at least the year 2050.

However, the Humvee fleet continues to suffer from inadequate budgets from the Defense Department, requiring Congress, year after year, to step in and fund these critical vehicles.

By 2030, the average age of our Humvee fleet will be 20 years old, and the oldest vehicles will be over 40 years old. This shows the pressing need to start replacing these aging vehicles with new modernized variants.

The new Humvee model has increased safety measures, increased power, reliability, and crew protection, which is critical to the success of our warfighters. Your leadership is critical to ensuring the Army and the Marine Corps LTV strategy is properly resourced in order to combat the constantly changing threats posed to the United States.

Vehicles are often deprioritized in the budget process, as they aren't as exciting or high-tech. But the fact remains that they are critical part of military operations from mobilizing to meet global threats to securing or border here at home. These investments must continue to be made and maintain readiness levels of our Armed Forces.

AM General alone proudly employs more than 1,100 hardworking Americans across their Midwest facilities. The broader LTV industrial base stretches across 43 States and to over 1,100 supplier businesses.

Chairman Calvert and Ranking Member McCollum, I specifically asked that you include $200 million for the National Guard, a Humvee modernization program, as well as a highest possible funding for JLTV in fiscal year 2026 defense appropriations bill.

The National Guard Association of the U.S. proudly supports this funding year after year with over 25 adjuncts general, including mine in my home state of Indiana all voicing support. These funds are essential to maintaining a robust domestic industrial base and the strongest military readiness.

Additionally, Humvees are playing a critical part in executing President Trump's directives to secure the southern border and strengthen national security.

Thank you for your time today, and I look forward to continuing to work with you during this year's defense appropriations process.

[The information follows:]

Rep. Rudy Yakym III
IN-02

Committee on Appropriations
Defense Member Day
February 25, 2025

Thank you, Chairman Calvert and Ranking Member McCollum for holding this hearing. I'm grateful for the opportunity to come before the Committee and share my defense priorities for the upcoming fiscal year.

Throughout my tenure in Congress, my top appropriations priority has always been ensuring that Humvees maintain strong funding that continues to support military readiness and the U.S. industrial base. This remains my top priority this year.

Mr. Chairman, you and I have spoken several times about the importance of the light tactical vehicle programs – especially Humvees – to my constituents, our warfighters, and the broader industrial base. It is essential that we continue to strong funding support for this vital program, as well as the Joint Light Tactical Vehicle Program.

AM General has been proudly manufacturing Humvees in Mishawaka, Indiana for the past 40 years. AM General's innovation, resourcefulness, and constant modernization has made the Humvee the cornerstone of the LTV fleet over the past four decades. The Humvee has served on countless missions at home and abroad. Currently, the National Guard is deploying with Humvees in their mission to secure the southern border.

AM General's long history of manufacturing Humvees has positioned the company to be the new manufacturer for the Army's Joint Light Tactical Vehicle A2 variant or JLTVs. The JLTV A2 has a greater payload, blast protection, and armoring capability due to its weight and size relative to the lighter, more mobile HMMWV. The JLTV A2 is now in production in a state-of-the-art manufacturing facility and features more than 250 enhancements to the original JLTV which provides greater mobility, reliability, and technological capabilities.

As you know, Humvee and JLTV are essential to ensuring Army and Marine Corps readiness for today's missions and potential future threats. The Army has publicly stated that there will be over 49,000 JLTVs and 55,000 HMMWVs in the fleet until 2050. However, the Humvee fleet continues to suffer from inadequate budgets from the Department of Defense, requiring Congress year after year to step in and fund these critical vehicles.

By 2030, the average age of our Humvee fleet will be 20 years old, and the oldest vehicles will be 40 years old. This shows the pressing need to start replacing these aging vehicles with new modernized variants. The new Humvee model has increased safety measures, power, reliability, and crew protection which is crucial to the success of our warfighters.

Your leadership is critical to ensure the Army and Marine Corps LTV strategy is properly resourced in order to combat the constantly changing threats posed to the U.S. Vehicles are often deprioritized in the budget process – they aren't as exciting or high tech -- but the fact remains they

are a critical part of military operations from mobilizing to meet global threats to securing our border here at home. These investments must continue to be made to maintain readiness levels of our armed forces.

AM General alone proudly employs more than 1,100 hardworking Americans across their Midwest facilities. The broader LTV industrial base stretches across 43 states and over 1,100 supplier businesses.

Chairman Calvert and Ranking Member McCollum, I specifically ask that you include $200 million dollars for the National Guard HMMWV Modernization Program as well as the highest possible funding for JLTVs in the Fiscal Year 2026 Defense Appropriations bill. The National Guard Association of the US proudly supports this funding year after year, with over 25 adjutants general (including mine in my home state of Indiana) all voicing support.

These funds are essential to maintaining a robust domestic industrial base and the strongest military readiness. Additionally, Humvees are playing a critical part in executing President Trump's directives to secure the southern border and strengthen national security.

Thank you for your time and I look forward to continuing to work with you during this year's appropriation's process.

(4 minutes)

The CHAIRMAN. I thank the gentleman. I will recognize myself for questions or comments. I had been on Humvees all over the world, and it is a great vehicle. It is something that, obviously, the Army and the Marine Corps and other services rely on. It has been a stalwart for the United States military. We expect it to be there for some time. With that, Ms. McCollum, do you have any questions?

Ms. MCCOLLUM. I am fine. Okay.

Mr. ELLZEY. Mr. Chairman, if I could attest to my friend's district here and having taken this into combat, myself both up-armored and unarmored, it was a stalwart for us in U.S. forces in Iraq, and protected many of our servicemembers' lives and delivered them on target rapidly and safely. And so I am a strong proponent of both of these programs. So thank you for coming today.

Mr. YAKYM. Thank you.

The CHAIRMAN. I thank the gentleman from Indiana. If there are no other questions, you are by relieved.

Mr. YAKYM. Thank you, Chairman, Ranking Member Womack.

The CHAIRMAN. Thank you. I appreciate it. Is there any other Member of Congress who would like to testify in front of the committee? We had a list, but they are not here.

So if there is no other Members, we will conclude. I want to thank the Members again for—or Member, for testifying at the subcommittee today. It proves vital as we move forward to fiscal year 2026.

At this time, I will recognize Ms. McCollum for any comments.

Ms. MCCOLLUM. No, I will just—as you point out, we need to get 2025 done and start working on 2026, and I am ready to do it with you.

The CHAIRMAN. All right. Let's do it. Okay. With that, thank you, and we are hereby adjourned.

[Whereupon, at 3:08 p.m., the subcommittee was adjourned.]

Testimony of The Honorable Laura A. Gillen (NY-04)

"FY 2026 Members' Day Hearing"

House Committee on Appropriations

Subcommittee on Defense

February 25, 2025

Chairman Calvert, Ranking Member McCollum, and Members of the House Appropriations Subcommittee on Defense,

Thank you for the opportunity to appear before you today. I'm grateful for the work of Members of this Committee to provide the resources necessary to enhance our national security, strengthen our military, and shore up vital alliances around the world.

As you know, our ally Israel continues to face serious, wide-ranging threats from Iran and its terrorist proxies including Hamas, Hezbollah, and the Houthis. I'm here today to urge you to continue Congress' strong, bipartisan support for Israel's safety and security by funding key U.S.-Israel defense cooperation programs in the upcoming Fiscal Year.

First, the horrific Hamas attacks on October 7 have shown the full scale of Hamas' network of underground tunnels in Gaza. Hamas has built an estimated 350 to 450 miles of tunnels, with nearly 5,700 separate shafts leading into them. In addition, since 2006, Hezbollah has further expanded its deep network of tunnels along Israel's norther border with Lebanon, allowing the group to continue smuggle weapons and launch attacks against Israel. I respectfully request that

this committee provide $80 million in funding for U.S.-Israel Anti-Tunnel Cooperation in FY26 to help detect and destroy these tunnels.

Second, in recent years we've seen Iran and its proxies deploy lethal, explosive-laden drones against Israel and other allies. These drones have also been used in hundreds of attacks against American troops stationed at military bases in the region. We need to develop the most advanced counter-drone technology to neutralize these threats. This technology can also help us here at home to counter small drones flying over our civilian airports and critical infrastructure. That is why I urge the committee to provide increased funding of $75 million for U.S.-Israel Counter UAS Cooperation.

Third, we cannot afford to allow adversaries like Russia, China, and Iran to dominate the next generation of battlefield technologies. Israel is a technological powerhouse, and by working together our two countries can remain at the forefront of key areas in the future of warfare, including AI, cybersecurity, robotics, and many others. That is why I respectfully request that this Committee provide $47.5 million in funding for U.S.-Israel Emerging Technology Cooperation to invest in these critical capabilities.

Finally, I urge the Committee to continue to provide full $500 million in missile defense funding, an important part of the $3.8 billion in annual security assistance we provide for Israel. This funding for Iron Dome, David's Sling, and Arrow 3, helps Israel defend itself and save innocent lives, as we saw last April when Iran launched a barrage of rocket and missile attacks against Israel.

Mr. Chairman and Ranking Member, thank you for your time today, and your work on this Committee. I look forward to working with you and all our colleagues -- on a bipartisan basis -- to strengthen our national security and support the U.S.-Israel relationship.

Thank you Mr. Chairman [Rep. Ken Calvert] and Ranking member [Rep. Betty McCollum]:

I believe you know why I am here. It's my third appropriations round, and not much progress has been made. Regardless, I plan to continue pushing forward.

Selfridge Air National Guard Base—located in my district—flies an A-10 mission, which is scheduled to be retired, with no replacement. My goal here is to help the Air Force, our military, and YOU Mr. Chairman.

I request an increase in F-15EX and F-35A procurement. I don't understand how in our current environment, with the threats we face, we would allow the Air Force to end the procurement of the only other fighter line that they purchase. They have already allowed for the end of production of the F-22 from many years ago. It's unconscionable.

If you need help getting CCAs and NGAD, I am all on board. Our priorities are aligned. But Mr. Chairman, we are far from those being fielded in the near future. Now Boeing and Lockheed have a lot to answer for, but we need those fighters now.

Thanks to President Trump and Secretary Hegseth, we are working on cutting fat, waste, and abuse at the Pentagon. These cuts should create an opportunity to maintain and strengthen our warfighting capabilities, not lessen them. If Selfridge does not have a fighter mission, we will be weaker for it, not stronger.

Since taking office, President Trump has prioritized the security of both our Southern AND Northern Borders. Well Selfridge sits on the shores of Lake St. Clair, with Canada on the other side. If our Canadian partners cannot stop a threat coming through the Great Lakes, what will we do if our capabilities are absent?

Therefore, I request that you maintain a steady increase of 24 more fighter purchases of each aircraft, the F-15EX and F-35A respectfully. These purchases will make the Air Force, Air Force Reserve, and the Air National Guard whole.

GILBERT RAY CISNEROS JR.
31st District, California

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Congress of the United States
House of Representatives
Washington, DC 20515–0531

Testimony for the Record by Congressman Gilbert R. Cisneros, Jr. (CA-31)

U.S. House Committee on Appropriations

Defense Subcommittee

February 25, 2025 Subcommittee Hearing: "FY26 Defense Appropriations Member Day Hearing"

February 21, 2025

Thank you, Chairman Calvert, Ranking Member McCollum, and Members of the Defense Appropriations Subcommittee for allowing me to testify today in support of vital defense appropriations programs on behalf of the residents of California's 31st Congressional District.

During my tenure as the Undersecretary for Personnel and Readiness, I was directly responsible for overseeing the Sexual Assault Prevention and Response (SAPR) program. Preventing sexual assault should be a top priority for military leadership, which is why I am concerned that the Navy and Marine Corps temporarily paused this critical training program at the directive of this new Presidential Administration. I want to be clear: any interruption in this training undermines our military readiness in addressing and fighting sexual assault.

Women in the military are two to four times more likely to be sexually assaulted than the general civilian population. The SAPR training program directly addresses this issue and has proven to be effective. While at the Pentagon, I oversaw a decrease in reported sexual assaults among both men and women. As a result of our commitment to addressing these incidents, an estimated 7,000 fewer service members experienced sexual assault. Secretary Hegseth said in his Senate nomination hearing that there is "no place in our military for sexual assault or sexual harassment" and emphasized that "the Department must do better to train and ingrain the fact that sexual abuse and assault is not tolerated in the force."

This committee has also continued to direct that any funding cuts will not affect the civilian population that handles sexual assault prevention.

Therefore, I ask that the Committee continue to recommend support for SAPR programs and the implementation of the Independent Review Commission (IRC) recommendations.

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Another area of importance is on-base childcare center worker pay. The Department of Defense is the largest employee-sponsored childcare program in the United States with over 200,000 children of service members and civilians enrolled. It is a recruitment, retention, and readiness issue to not have childcare for active-duty members who simply cannot skip out on work when unable to have adequate care for their children. Last year's NDAA, which addressed quality of life issues, stated that staff are leaving childcare centers because of low pay.

I want to stress the importance of bipartisanship and collaboration in passing legislation that supports this essential workforce. The House-passed FY24 and FY25 NDAA increased funding levels for childcare and included provisions to ensure that pay for the childcare center staff at DoD facilities is competitive with the private sector.

Given that each branch has the authority to set pay levels and adjust entry-level compensation to compete with the local civilian labor market, it is imperative that we, as Congress, appropriate the necessary funds.

I am asking for the committee to competitively fund Military Child Care Programs by incorporating increased funding levels in the FY26 Defense Appropriations bill.

Thank you again for your time and consideration. I know you have a tough job ahead of you and I hope you will keep these priorities in mind as you craft the FY26 Defense Appropriations package for the benefit of our military communities and country.

FY26 Defense Appropriations Member Day Hearing
Testimony remarks for Rep. Jen Kiggans

Chairman Calvert, Ranking Member McCollum, and distinguished members of the Committee, thank you for holding this Member Day and for the opportunity for off-committee members to speak to our priorities in this space.

As a Navy veteran who represents one of the most military-heavy districts in the entire country, investing in and improving our military has, and always will be, one of my top priorities. I fought hard to secure several wins in last year's NDAA that will directly benefit our servicemembers and their families. These provisions will help improve our servicemembers' quality of life, increase access to mental healthcare, explore improvements to our nation's ship building and repair capacity, and much more. But there's still much more work to be done. We must build on our priorities from FY25, which include prioritizing the fight against China, promoting innovation and modernization, supporting our servicemembers and their families, growing our defense industrial workforce, reinventing the DoD's process for procuring and acquiring technology, and working closely with our allies and partners to build our military arsenal.

My focus is on three critical priorities that directly impact our national security and the well-being of our servicemembers and their families. The first is ensuring we continue to invest in our undersea deterrence capabilities by building two Virginia-class submarines and one Columbia-class submarine per year. The second, is ensuring that we continue to invest in Navy F-35s so that we have maximum carrier-based superiority available on both coasts. The third, is continuing to make meaningful investments to the quality of life for those who wear the uniform and their families.

Investing in Our Submarine Fleet for National Security

As threats from adversaries like China and Russia continue to grow, the need for a robust, modernized undersea force has never been greater. Our submarine fleet gives the United States a decisive advantage—ensuring our ability to project power, deter aggression, and, if necessary, respond with overwhelming force.

The Virginia-class attack submarine program has been a cornerstone of our naval dominance. These fast, stealthy, and highly capable submarines play an essential role in intelligence gathering, special operations support, and maintaining control of the maritime battlespace. **Consistently funding two Virginia-class submarines per year is not just a matter of shipbuilding efficiency—it is a strategic necessity.**

Additionally, **consistent funding is essential to promoting the long-term health of the domestic shipbuilding industrial base and the workforce on which it relies.** This industry cannot thrive as a feast-or-famine endeavor. A clear market signal of stable, two-per-year funding is absolutely vital to maintain and grow the highly skilled workforce required for

submarine production and to promote the industry partnerships necessary for efficiency and success. Without predictability, we risk losing critical talent and manufacturing capability—weakening both our national security and economic stability.

Similarly, the **Columbia-class ballistic missile submarine** is the most critical leg of our nuclear triad, ensuring a survivable and effective deterrent. We cannot afford any disruption in this program. These submarines are set to replace the aging Ohio-class fleet, and any funding instability will jeopardize our ability to maintain continuous at-sea deterrence. The Columbia-class is not just a shipbuilding program—it is the backbone of our nation's nuclear security.

Investing in F-35 Aircraft and Strategic Basing

In addition to undersea capabilities, we must also focus on modernizing our air forces. One critical component of this modernization is the F-35 aircraft, which is used by many of our allied partners. However, all Navy F-35s are currently based on the West Coast, which limits our ability to rapidly deploy and respond to threats to our Atlantic Fleet. We must increase the number of F-35s in our Navy and invest in placing these aircraft at our East Coast master jet base to enhance our operational flexibility and readiness.The F-35 carrier-based design enables it to operate from both conventional aircraft carriers and land bases, providing unparalleled operational flexibility, mobile air power, and the ability to be forward-deployed anywhere.

Basing additional F-35s on the East Coast will also strengthen our interoperability with NATO allies and improve our strategic positioning in the face of rising threats from both China and Russia. The F-35 is critical to our future combat capabilities, and ensuring it is properly distributed across key locations in the U.S., available to respond to Pacific and Atlantic threats, is an investment that will pay significant dividends in our national defense.

Investing in Quality of Life for Our Servicemembers

Our military remains the strongest in the world not only because of our advanced technology and world-class weaponry, but because of the brave men and women who serve our country. We ask so much of them and their families, and we have a duty to ensure they are supported—both on and off the battlefield.

I'm incredibly proud to have secured 29 wins in last year's NDAA that will directly benefit the servicemembers and military families in Hampton Roads, across the country, and around the world. We must continue this momentum, with our focus on key areas to include:

- Housing
- Pay and compensation
- Healthcare
- Education
- Spouse Support
- Childcare

At a time when our great nation is facing threats from every corner of the globe, Congress and the Department of Defense must keep its focus on our servicemembers and their families, because they are our nation's asymmetric advantage against our adversaries.

As a third-generation veteran, military spouse, and mother to children who serve, I will always be the loudest voice for our military men and women in Congress! The decisions we make here today will shape the future of our military for decades to come. Investing in **our submarine fleet** ensures we maintain our strategic advantage. Expanding the F-35 fleet and basing additional aircraft on the East Coast strengthens our air dominance, enhances operational flexibility, and improves our interoperability with allies. Investing in **our servicemembers' quality of life** ensures we maintain the world's most professional and capable fighting force. Mr. Chairman, thank you again for the opportunity to discuss the defense priorities in my district and throughout the Department of Defense. The United States has the greatest military in the world, and it is the honor of my lifetime to represent our servicemembers in Congress.

Thank you, and I look forward to your questions.

Moylan HAC-D 2.25.25

Mr. Chairman, the Defense Appropriations Subcommittee been a key partner in my work to protect the people of Guam. As many of my colleagues know, this subcommittee has increased Guam's missile defense funding every year I've been in office. However, we have also worked together to support the island's infrastructure.

Last Congress the subcommittee worked with me to secure an additional $600M of funding towards repairs of the Guam Glass Breakwater. Without these funds, Apra Harbor would not have been able to survive the next typhoon; crippling our island's economy.

Another way I worked with the Defense Subcommittee last congress was to fund the DCIP grant program; which ultimately provided Guam Memorial Hospital with nearly $3M for HVAC repairs. In the coming appropriations cycle, I look forward to working with you again to fund this critical grant program and continuing our efforts to protect the island of Guam.

GREG LANDSMAN
1ST DISTRICT, OHIO

COMMITTEE ON
ENERGY AND
COMMERCE

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TESTIMONY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON DEFENSE

Congressman Greg Landsman (OH-01)

February 25, 2025

Member Day Testimony on Fiscal Year 2026 Defense Appropriations

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Dear Chairman Calvert and Ranking Member McCollum:

As you prepare the Fiscal Year 2026 Department of Defense (DOD) Appropriations Bill, please consider our request to increase investment in the development of technology to transition an engine – during continual operation – from supersonic afterburning turbojet mode to ramjet mode, enabling seamless operation from standstill to hypersonic speeds. Specifically, we respectfully ask that you allocate **$10 million under Research, Development, Test and Evaluation-Space Force**, for the development of technology for super and hypersonic airbreathing propulsion for use in attritable/reusable aircraft.

This propulsion technology development will provide DOD orbit access from any runway on the globe capable of supporting the horizontal takeoff of aircraft. The iterative process of producing smaller, attritable/reusable systems fills a requirement for DOD in the near-term for supersonic Unmanned Aerial Vehicles, while continuing to progress toward the requirement of tactically responsive space access for the future. The end-state for the propulsion technology development

uses an air-breathing, hypersonic aircraft 1st stage and liquid-rocket 2nd stage to deliver payloads to orbit – significantly lowering costs while dramatically increasing launch reliability.

Development of this technology will assist DOD in closing the capability gap with near-peer adversaries such as China, and low-cost super/hypersonic propulsion will enable new weapons systems not possible with current technology.

Accordingly, we respectfully ask that you allocate $10 million for the development of technology for super and hypersonic airbreathing propulsion for use in attritable/reusable aircraft, under Research, Development, Test and Evaluation-Space Force.

Thank you for very much for your consideration of this request.

WEDNESDAY, MAY 7, 2025.

UNITED STATES ARMY

WITNESSES

THE HONORABLE DANIEL DRISCOLL, SECRETARY, DEPARTMENT OF THE ARMY
GENERAL RANDY GEORGE, CHIEF OF STAFF, UNITED STATES ARMY

OPENING STATEMENT OF CHAIRMAN CALVERT

Mr. CALVERT. Good morning. The subcommittee will come to order.

Today, the subcommittee will receive testimony on the posture of the United States Army.

First, I would like to welcome our two witnesses. Secretary of the Army, Daniel Driscoll, and General Randy George, chief of staff of the United States Army.

Mr. Secretary, congratulations on your appointment. I look forward to working with you.

General George, thank you for joining us once again.

The U.S. Army is a force that remains the backbone of our Nation's defense and the critical pillar in ensuring global stability. Today, we will assess the Army's readiness to meet the challenges of the increasingly complex security environment, particularly as we look toward future conflicts, including those that may unfold in the Indo-Pacific theater of operation where strategic competition continues to intensify.

The Army's role in the future fight is evolving rapidly, shaped by emerging threats and technological advancements. Among these, the proliferation of drone technology stands out as a game changer. Drone warfare offers both unprecedented opportunity and significant vulnerability. Our adversaries are leveraging drones to challenge traditional battlefield dynamics, requiring robust investment in counter-drone technology to protect our soldiers and maintain operational superiority.

Modernization remains a cornerstone of the Army's transformation, and I commend the progress made in recent years to the next-generation combat systems combined with soldier lethality and advanced network capability. However, progress must be matched by scrutiny. We must ensure that these efforts align with the demands of tomorrow's battlefield where agility, resilience, and technological edge will define success. We must ensure that the investments in our Army reflect the needs of a multidomain fight to strike the right balance between conventional capability and the specialized forces required for hybrid and asymmetric warfare.

The Army has begun to implement a comprehensive transformation strategy to rapidly deliver capability, optimize force structure, and eliminate waste and obsolete programs. I am inter-

ested in hearing how you will implement this strategy to achieve a more efficient and more effective Army.

Today's hearing is an opportunity to address these issues head on, to hear from our witnesses, and to chart a course that ensures the U.S. Army remains the world's preeminent land force. I look forward to a robust and insightful discussion.

With that, I recognize the distinguished ranking member, Ms. McCollum, for her opening remarks.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you for the courtesy, Mr. Chair.

Mr. Secretary, General George, welcome to the committee's discussion about the Army's plans to transform for the future. As the chairman pointed out, we are excited and interested in hearing your plans.

As I said yesterday in our hearing with the Air Force, the fiscal year 2026 budget process is off to a very rough start. We have just over 4 months left until the end of fiscal year 2025, and the Department still has not agreed upon a final spend plan with Congress. I know there are plans floating out there, but they haven't been agreed upon. The skinny budget for next year has been released, but we don't know what the numbers are based off of yet. These are rumors that the full budget may not even be released until June. It all puts us in a very difficult position getting our job done, and I know both Ranking Member DeLauro and Chairman Cole want to get our job done on time.

And that is why yesterday we were unable, really, to discuss the Air Force and Space Force budget priorities in any detail. They just don't have the information. Likewise, it is disappointing that we are going to be unable to discuss the Army's priorities and program details for fiscal year 2026 at this time, and I know you share that concern. So I hope you will reach out to the committee and to the chair and I with details as soon as they are released.

Last week, you both presented the Army's transformative initiative, which will include changes to warfighting capabilities and force structure and program activities. And we do need to make changes. And I know you want to move quickly—very quickly. However, any successful transformation proposed by the services is only going to be made possible with an open dialogue with the United States Congress, the people of this country.

That means you must work with us, with industry, and with military communities involved. Bypassing any of these vital steps will only create questions and create delays, something I know you don't wish to have happen. And I know you want to put to rest any confusion, and I know it is not your desire to provoke anxiety, but not doing this in a forward, transparent manner could land up doing exactly that.

So I look forward to hearing more details on the Army's Transformation Initiative and how this differs from implementing the Army's 2030 initiative. What are the differences?

So, Mr. Secretary, you also have proposals for agile funding, Counter-Small Unmanned Aerial Systems, network capabilities, civilian workforce decreases, and activities on the southern border.

Your plate is full. So this committee needs to understand indepth the costs that will be associated with them.

As I said yesterday in a meeting—a hearing that we had when referenced to Golden Dome, this committee does not fund concepts. I don't do that in my personal life, and I do not do that with the taxpayers' money. So, the sooner you have more details, the happier we all will be.

As I said yesterday with the Air Force, I am deeply concerned that cuts to civilian personnel will have detrimental effects on the executive execution of contracts and other vital paperwork. We are already living with the impacts of what happens when civilians take a buyout rather than to take a hand up to say that they will continue to serve. What does that mean? It means contracts aren't signed on time, missions don't get done on time, and the program falls farther behind, and that means it will cost the taxpayers more money. I am also concerned that these cuts will shift responsibility of completing these tasks onto the same military personnel that you would like to see out in the training field and we would, too.

So, again, I welcome you both to the committee, and I look forward to hearing your testimony.

Mr. Chair, thank you again for the courtesy.

Mr. CALVERT. Thank you. And I appreciate your testimony.

I would like to now turn to the chairman of the full committee, my good friend, Tom Cole. Mr. Chairman, the floor is yours.

OPENING REMARKS OF CHAIRMAN COLE

The CHAIRMAN. Thank you very much, Mr. Chairman. And let me begin with a couple off-the-cuff remarks and associate myself with my good friend, the ranking member's, remarks in terms of just information.

And, look, we are very understanding. New administrations never meet the deadlines or are late. They can't. I mean, you don't have people approved and in place, so we understand, but—and I have had this discussion, and it has been a very positive discussion with OMB, and I said, "The quicker you can get us this stuff, the better job we will do, but the longer it takes, the more likely we are to miss our own, you know, deadlines and stumble into another CR or something like that." And we don't want to do that. I know you certainly don't want us to do that.

And I do want to thank you. You were kind enough to call. I know the chairman got a call—I assume the ranking member probably did, too—to let us know a little bit about the transformative initiative and what you were releasing. Very helpful, but I too look forward to seeing more details as that goes down the road. But I appreciate what I saw. I certainly didn't have any objection to what was laid out. It was very positive and very impressed. So, again, thank you both for coming here.

The hearing comes at a pivotal moment for our national security as we face an increasingly complex and volatile global landscape. Among the challenges before us, none looms larger than the rising threat posed by China. With its rapid military modernization, expanding global influence, and assertive posture in the Indo-Pacific, China presents a strategic challenge that demands our full attention and robust response. The United States Army plays a critical

role in deterring this threat and, if necessary, prevailing in any conflict that may arise.

Today, I look forward to hearing how the Army is equipped to address this challenge head on. We must ensure our forces are postured to counter China's growing capabilities, particularly in the realm of long-range strategic fires. The ability to strike with precision over vast distances is a necessity to maintain our competitive edge and protect our interest across the globe. I am eager to understand how the Army is prioritizing the development and deployment of these capabilities to keep pace with our adversaries.

Equally critical is the state of our munitions inventory. Recent global conflicts have underscored the importance of a resilient and well-stocked arsenal. We cannot afford to be caught unprepared, whether it is ensuring an adequate supply of artillery shells, precision-guided munitions, or advanced missile system. I know that you will provide us and this committee with a candid assessment of where we stand today and what investments are needed to bolster our readiness for both the near and long haul.

Thank you again for being here, and I look forward to a productive discussion.

Thank you, Mr. Chairman. I yield back.

Mr. CALVERT. Thank you, Mr. Chairman.

Secretary Driscoll, please take 5 minutes for your opening remarks. Thank you.

SUMMARY STATEMENT OF SECRETARY DRISCOLL

Secretary DRISCOLL. Chairman Calvert, Ranking Member McCollum, distinguished members of the subcommittee, it is my pleasure to speak to you today for the first time as Secretary of the United States Army. I would like to first thank this committee for the support that you provide to our soldiers and their families and for working with General George and me as we embark on the journey of the Army's Transformation Initiative.

In my confirmation hearing, I said that I would be the soldier's Secretary and that they and they alone would be my mission, and no special interest for bureaucracy would stand in the way of our warfighters. After visiting troops in the Middle East and Europe, on the southern border, and escalations across the continental United States and Alaska, I can confidentially say that our soldiers are strong; their families are strong; and their dedication to this Nation is strong; and the strength that they show every day is a reminder that the American soldier represents the very best of our Nation.

We ask a lot from our soldiers, and they never, ever let us down, but for decades, our government has been letting our soldiers down. As Secretary, I have found that the Army has become calcified, having suffered from years of inefficiency, slow-moving processes, and wasteful spending. Program lobbyists and bureaucrats have overtaken the Army's ability to prioritize soldiers and warfighting, and I am here today to say those days are over.

We must give our soldiers the tools and the resources that they need to defend this great Nation. We must cut away the bureaucratic bloat that has plagued our formations for far too long. We must rid ourselves of antiquated weapon systems that no longer

serve a purpose on modern battlefields, and we must give our soldiers the overwhelming advantage against any threat to this Nation.

The entrenched bureaucracy and special interests will no longer drive the Army. The needs of the brave men and women who volunteer to fight for this country will drive every single action of this Department. We are transforming the Army to put our soldiers and their ability to fight and win wars as the sole focus of what we do, and this will not happen without the support of this committee.

I am asking this committee to help us place the mission first. I am asking this committee to ignore the lobbyists and put aside parochial interests. Allow us to maximize the dollars that we were given to support our soldiers as they defend this Nation. I am asking this committee to provide us with the flexibility to make decisions that can match the pace of change we have seen in technology and warfare. I am asking for this because I believe it is my sacred duty as Secretary of the United States Army and as an American citizen to ensure that every dollar that the United States Army receives from Congress contributes to the mission of defending the Nation.

I am committed to this because I am committed to our soldiers. They are the ones who will face the enemies of the Nation. They will never quit, and they will never accept defeat. I ask that you join me in my commitment to their success. Thank you, and I look forward to your questions.

STATEMENT BY
THE HONORABLE DANIEL P. DRISCOLL
SECRETARY OF THE ARMY

AND

GENERAL RANDY A. GEORGE
CHIEF OF STAFF
UNITED STATES ARMY

BEFORE THE

SUBCOMMITTEE ON DEFENSE
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 119TH CONGRESS

ON THE POSTURE OF THE UNITED STATES ARMY

MAY 7, 2025

NOT FOR PUBLICATION
UNTIL RELEASED BY THE COMMITTEE

When the Army deployed a Typhon launcher to the Philippines in April 2024, Beijing called the move "provocative and dangerous." Having the Typhon, a U.S. Army mid-range fires system, positioned on Philippine soil undoubtedly forced the Communist Party of China to adjust its calculus. To our partners in the Indo-Pacific, it was a symbol of deterrence, strength, and partnership.

Competition today is rapidly evolving in all domains. Our Army maintains a critical role in deterrence by maintaining relationships with the armies of our allies and partners, and ensuring continued access to key terrain on land, space, and cyberspace. When competition turns to crisis or conflict, we enable joint force maneuver with our Multi-Domain Task Forces, Patriot batteries, or other ready combat formations. Then we close with the enemy, seize and hold ground, and sustain the fight until the battle is won.

We are also agile – our Army can transform rapidly by adapting dual-use technology to warfighters' needs and evolving our formations, tactics, and doctrine to account for lessons learned. Yet, transformation takes determination and willingness to accept some risk. Every day, battlefield systems get faster, smarter, stronger, and stealthier, fueled by rapid growth in commercial technology. These technological advances complicate the battlefield and force combatants to constantly evolve their equipment and tactics.

Staying ahead requires energy and effort. If America plans to win the future fight, our Army cannot afford to wait for lengthy acquisitions timelines or arbitrary planning time horizons. We must get better and buy better all the time, so we have embraced a model of continuous transformation, capitalizing on the ingenuity of our soldiers to make incremental adjustments to how we fight and operate and ensure that our Army stays ready.

However, the pace of our Army's transformation is not quick enough. In the race to stay cutting edge, we are falling behind our adversaries. This is largely due to sluggish and outdated bureaucratic processes both internal and external to the Army. It is essential that we break down barriers to transformation, build greater efficiency into our organization, and boldly put resources towards war-winning capabilities.

What We Have Been Doing: Growing More Lethal and More Agile from the Bottom-Up

Focused on the Mission

Over the last year, our Army has been engaged around the world, contributing to deterrence by training and exercising with partners and allies.

In the Indo-Pacific we have forward-deployed formations almost continuously, participating in exercises like Super Garuda Shield 2024, an Indonesia-hosted exercise that actively involved 11 nations this year, and Balikatan 2025, a full-scale battle simulation alongside the Armed Forces of the Philippines. Army formations in the Indo-Pacific also stand prepared to provide the Joint Force with critical support – command and control, medical, intelligence, and logistics – through all stages of competition, crisis, and conflict.

Our Army has also been committed to defending the homeland, with nearly 8,000 Active, Reserve, and National Guard, supporting the Department of Homeland Security on our Southern Border. We have been active in the European theater with units stationed or forward deployed to Germany, Poland, the Baltics, Romania, and Bulgaria. Finally, Army formations remain busy in the Middle East, contributing to the defense of Israel and the fight against the Houthis, Iranian-Aligned Militia Groups, and other violent extremists. Every one of these formations is focused on building and maintaining lethality, whether through training or tackling real-world challenges.

When not deployed, our teams have been conducting tough training at their home stations and our combat training centers (CTCs). Leaders at every echelon – from squads to divisions – are being pitted against opposing forces with peer technology in the dust, rain, heat, and snow. Units are also experimenting with emerging technology and warfighting concepts at joint and multinational exercises and at Project Convergence.

We are breaking down barriers to training every day. Commanders and first sergeants should be in the field building their teams, not stuck at their desks, overwhelmed by administrative tasks that do not enhance unit cohesion or lethality. We recently reduced mandatory training requirements and are continuing to purge formations of excess equipment that wastes money and maintenance hours. In essence, we are continuing to find ways to take things off leaders' plates and keep our Soldiers in the fight. As we continuously transform, we will identify things we can *stop* doing to optimize our Soldiers' time and allow them to focus on the mission.

Transformation in Contact (TiC)

Deployments and training provide unique opportunities for our formations to focus on transformation, so over the last year, we empowered three different division headquarters and brigades to "transform in contact" during CTC rotations. Using existing FY24 funds, we provided these units with cutting-edge commercial and military technology – including infantry

squad vehicles, unmanned aerial systems (UAS), counter-UAS, electronic warfare (EW) capabilities, and C2 Fix systems – and encouraged them to experiment with their equipment, structure, and tactics.

Feedback from TiC participants validated that our formations can evolve quickly when we pair the skill of developers with the warfighting ingenuity of soldiers. By adjusting how they organized and employed equipment, TiC units were able to more effectively see the battlespace, strike, and maneuver against opponent forces in training, and survive using deception and protection. They also had lower energy and maintenance requirements. Additionally, TiC reinforced that troops in the arctic have different operational requirements than those fighting in the jungle or in the dry heat of the desert, and it is more effective to buy equipment in tailored tranches to support specific mission needs.

Transformation in Contact is a proof of concept for how we can efficiently utilize available tools and dollars to make meaningful investments in our force. As we scale these transformation efforts across the whole Army, we will need to employ agile funding and flexible acquisitions options to maintain momentum.

Deliberate Transformation

Extensive command suites, massive logistics convoys and tent cities are relics of the past. Outdated, too, are many of our acquisitions processes and practices. During the last two decades of conflict, we accommodated long-lasting, inflexible programs of record, many of which took years to come online, did not keep pace with technological advances, and came with special maintenance contracts and field service representatives. These practices will not support an efficient or effective Army that can adapt to the demands of today.

Changing these practices is hard, but as we move forward, we are resolved to choose war-winning capabilities for our soldiers and maintain the right to repair our own equipment.

First and foremost, we are investing in our Network. Leaders must be able to see the battlespace and effectively make decisions while staying mobile and keeping a low profile on the electromagnetic spectrum. C2 Fix, which accelerates modernization of our existing systems, is already helping to make our teams more lethal and more mobile. Next Generation C2, the next stage in our transformation, will allow leaders at the Corps level and below to synchronize all elements of combat power.

We are also deliberately investing in other systems that improve soldier lethality and enhance our Army's contribution to the joint fight: the Next Generation Squad Weapon, directed energy, the Integrated Battle Command System, autonomous systems, counter-unmanned systems, and long-range precision fires, to name just a few.

At the same time, equipment that is effective today may be rendered obsolete by the technology of tomorrow. We must be able to upgrade software and components and replace them with new technology as it becomes available. This means that the Army needs systems that are modular and software-centric, wherever possible. Our new Infantry Squad Vehicle uses 90% commercial-off-the-shelf parts and is customizable because of its modular design. Systems like this are a step in the right direction, enabling us to iteratively improve our force without restarting the long development process. We will continue to look for ways to build flexibility into designs and modernize our acquisition practices to become a better customer to the Defense Industrial Base—driving competition, accelerating the development of cutting-edge technologies, and enabling rapid procurement of capabilities that enhance lethality on the battlefield.

Delivering Ready Combat Formations

To win in combat, our troops must be capable warfighters; they also must be able to get to the fight and have the tools, parts, fuel, and ammunition to maintain momentum and dominate our adversaries.

Our Army has grown tolerant of long lead times for parts and delays in production – a massive handicap and an impediment to our readiness and lethality. To combat this, we have been working on innovative solutions in additive manufacturing. Last year, when units were told that they would have to wait twelve months for a backordered 20 dollar part, Army Material Command (AMC) 3D printed the part instead. The job took a matter of hours and ended up costing 16 cents a piece. AMC is now developing containerized manufacturing shops and sets so that units can fabricate parts forward and get soldiers the parts they need when they need them. We are also exploring ways to use AI predictively to forecast our maintenance needs.

We are dedicated to growing our ammunition stockpiles because even our best weapons are useless without bullets. Over FY24, we invested $3.2B in our Organic Industrial Base, including our ammunition plants, focusing primarily on ensuring that our production lines are resilient and able to rapidly produce critical munitions and components.

Powering Down Resources to Soldiers & Families

Warfighting is a team effort. Soldiers, American industry, our communities, our families – every part of the team must be ready. Our installations support this effort and provide us with power projection platforms across the country and abroad.

When it comes to installation investments, we have continued to prioritize barracks and housing to ensure that soldiers and families have safe places to live. As we plan for future installation investments, we will also focus on force projection – railroads, commercial truck loading complexes, runways, and training ranges – as well as base resiliency measures and facilities that have deferred maintenance deficits. Most importantly, we will look for ways to spend taxpayer dollars more effectively and find efficiencies in our military construction processes.

We know that the needs of families and communities at Fort Bragg are different from those at Fort Drum or Fort Bliss. When we try to implement prescriptive, one-size-fits-all solutions from Washington, D.C., we fail to deliver effective programs and resources. To the fullest extent possible, we will empower installation commanders to make the resourcing decisions that they need for their respective communities.

Recruiting and Retention

In the last several years, our Army has faced significant challenges with recruiting the force our country needs while maintaining the standards our Army requires. This has put pressure on our teams and forced us to make hard choices on structure. In response, the Army has transformed our Recruiting Enterprise, and these efforts have paid dividends. Only halfway through this fiscal year, we have already secured more than 50,000 contracts, which is over 80% of the year's total mission. Once accessed, soldiers recognize that the Army is a great place to serve, as evidenced by our consistently strong retention numbers.

We will always look for ways to update our processes and build efficiency in recruiting. For instance, we continue to explore AI and data tools that will make our recruiters more successful and help them find the best candidates for service.

Where We Are Going: Army Transformation in the Future

To stay lethal in a swiftly changing world, our Army must transform even more rapidly at every level. We must cut out the stuff, structure, and systems that bog us down and invest our limited time and resources into the things that make us stronger and better. This will require us to make tough choices and bold changes.

In the coming years, our Army will seek to grow capabilities that help us build stronger teams, win in battle, and ensure our Army families are ready. Period. Our soldiers deserve investments that support mission success, and our nation deserves an Army that can win.

We will put taxpayer dollars towards building more capable and mobile fighting formations that can dominate inside or along contested zones and effectively sense, synchronize, supply, and strike using iteratively upgradable technology. We will invest in firepower that can support the joint team in all domains through long-range fires, cyber, and electronic warfare systems. We will invest in programs and infrastructure that allow us to build and retain talent, tailored to meet the needs of each of our unique Army communities. Finally, we will preserve flexibility in all these investments and build agility into our processes, while at the same time, reinforcing transparency of how taxpayer dollars are spent, because our transformation cannot be stop-and-go; it must be constant.

Conclusion

The Typhon launcher in the Philippines exemplifies the Army's changing capabilities and role in a single theater, but it reflects the continuous transformation effort throughout all our formations.

Our Army is the most capable and lethal ground force in the world, but we do not take this position for granted. As we move forward in our continuous transformation journey, we will do our part to meet the challenges ahead, especially those posed by Beijing. We will contribute to America's web of deterrence by providing layered and integrated capabilities to Combatant Commanders: dispersed teams, distributed sensors, and lethal fires, all linked by low-profile command and control systems.

It is our job as leaders to build and maintain the Army that our nation needs and demands. This We'll Defend!

Mr. CALVERT. Thank you.
General George, please.

SUMMARY STATEMENT OF GENERAL GEORGE

General GEORGE. Thanks, Chairman. Chairman Calvert, Ranking Member McCollum, Chairman Cole, distinguished members of the committee, thank you for the opportunity to talk with you all today.

I would like to start off by saying that we are both extremely proud of our Army. We are proud of our troops that are out in the Indo-Pacific, on the southern border, in the Middle East, in Europe, and of everything our Army has done over the past year to respond to wildfires, floods, and a bridge collapse. We have formations all around the world conducting missions and exercises and innovating with our partners and allies. When not deployed, our units are conducting tough, realistic training at their home stations and our combat training centers.

Our Army is a professional team that remains focused on its warfighting mission, and young Americans want to be a part of it. This is evidenced by our strong recruiting numbers this year. We have already met over 90 percent of our recruiting mission, and we still have our most productive months ahead of us.

And, while I am proud of our Army, I also know we have work to do. I know the world is changing. Commercial technology is rapidly evolving, especially AI and autonomous systems, and this is impacting the character of war. We understand that we must transform to stay ahead of our adversaries, and we need to get better by 2026 and 2027, not 2030.

Over the last year, using existing fiscal year 2024 funding, some of our units transformed in contact, which means they experimented with changing how we train, fight, man, and equip while they were deployed or in training environments. This was a great proof of concept, and it confirmed that our formations are capable of rapidly improving their lethality. One transformation-in-contact brigade in Europe was 300 percent more effective in lethal targeting during their training exercise.

Transformation in contact taught us some valuable lessons about what our Army should be buying and how we should be buying it, and we are just getting started. We are going to make the changes we can at our level so that we can continue to dominate the modern battlefield.

For instance, we will cancel programs that are obsolete or not what our warfighters need. We will develop and adapt war-winning capabilities and buy modular open system architecture designs that can be iteratively updated, and we will cut and consolidate headquarters. For instance, we are going to reduce GO structure, cut 1,000 positions from the headquarters DA staff, and add in modern business systems that will make us more effective. And, finally, we will power down authorities and funding so that commanders and our fighting formations have what they need to make their teams and their communities successful.

What I have learned from being in this seat is that it is our job as leaders to do what we can with the budget that we have. I have been talking about the need for agile funding for UAS, counter-

UAS, and electronic warfare. We need more flexibility with those and more. Technology is changing too rapidly, and we have got to be able to buy capabilities rather than specific programs so that we can always get our warfighters the best available tech and equipment for the modern battlefield. This is where we could use Congress' help.

We are quickly approaching our Army's 250th birthday. "This We'll Defend" has been our motto for 250 years, and I am looking forward to celebrating our long legacy of duty. More importantly, our soldiers are ready today to defend our country, and we will do our part to ensure they have what they need to be successful in that enduring mission. Thank you for your support, and we look forward to your questions.

DRONE TECHNOLOGY

Mr. CALVERT. Thank you, General.

I just wanted to emphasize what the ranking member and the chairman of the full committee pointed out, that we—our primary obligation, of course, is get these bills done, and we can't do that without information to do that. So, hopefully, that comes very soon. And I know that you have to work with OMB to help facilitate that, but we are pretty much at a standstill until we get this information. And we do not want to do another CR. So please help us from having that happen.

Something we have learned on the battlefield in Ukraine as that horrific war continues—in the beginning, the primary ordnance was used, as you all know, as typical artillery—152, 155—and things have changed. Now drones have taken over the battlefield. The ongoing conflict in Ukraine has highlighted the proliferation of drones as a transformative element of modern warfare. Everything that moves pretty much dies on that battlefield.

Both state and non-state actors have employed unmanned aerial systems for reconnaissance, precision strikes, psychological operations, demonstrating their cost-effectiveness and strategic value.

Secretary Driscoll, I have a two-part question. Can you outline the Army's current investments in drone technology, including specific programs or initiatives aimed at matching our exceeding the capability we observed on the battlefield? And, given the increasing sophistication of enemy drones in Ukraine, what steps is the Army taking to accelerate the development and deployment of counter-drone technologies, such as electronic warfare and directed energy systems to protect our forces and maintain a tactical edge?

Secretary DRISCOLL. Chairman, one of the things we are doing is we are starting training on drones at the very beginning of a time a soldier joins. So I was at Fort Jackson last week, and these were soldiers who had been in the Army for 5 weeks. And one of the things I saw during the training is they were putting drones up, and as they were going through their lanes, what they were doing is trying to figure out what is the overhead—what is the concealment required to avoid being seen overhead?

And so each of these soldiers, 5 weeks in, were building just incredible camouflage for themselves and their gear. And then what they were doing after they finished the lane is they were going and

reviewing the footage so that they could say, what can a drone see from the sky? And this absolutely blew me away.

And so what we are trying to do at a high level is push down these lessons that we are learning from Ukraine and from our men and women in our SAG-U that are absorbing the lessons and get them to every or as many soldiers as we possibly can and start to iterate and learn from them what works and what doesn't. We have 3-D printers printing drones in a lot of our formations across the Army, and they are learning incredible lessons that are paired and piggybacked off what is happening in Ukraine.

And then for how we are trying to get this into the hands of developers and manufacturers, we are inviting them into the field with our soldiers so they can capture these lessons in real time, and we are empowering units to purchase small numbers of these and test them and then pass the lessons up the chain of command.

DRONE MOTORS AND CHINA

Mr. CALVERT. One of the challenges—I know that you are very much aware of this—is that 90 percent of the components are made—for the drones themselves are made in China, including about 100 percent of the motors. What plans do you have to send to the manufacturing community as a buy signal to do something immediately on that?

General GEORGE. Yeah. I agree with you, Chairman. Just back to your previous question, I mean, a lot of this is transformative. You have to change how you train and operate. That is just as important. The Secretary mentioned that. We are going to have to change how we are organized. We are doing that. We are getting ready to go to the new Mobile Brigade Combat Teams. Those command-and-control nodes are 85 percent smaller than they were, you know, just a couple of years ago.

And then we do have to change how we buy things. This is a big reason why we are asking for—I think we need to buy capabilities. Brushless motors is exactly what you are talking about. We need to have the flexibility that we are buying—we are buying off the Blue List. So there is an improved list. So we are not buying, you know, Chinese parts to go into our drones.

I fully believe we can make a lot of this stuff. We can partner with industry to do these things. We are just going to have to approach how we buy things and be much more agile in our approach to do that, and I am confident we can come over and share details of how we would do that because I am confident, with American innovation, we can get back on the road we need to be.

Secretary DRISCOLL. And, Chairman, one of the things we are trying to do—and I talked about this in my confirmation hearing—is give a very strong demand signal to the American workforce, the American innovators, and the American manufacturers that we, the United States Army, are improve—we will improve—with this committee's help as a customer; we will expand the base of drone manufacturers who we are buying from in our own Nation and from our allies.

And what we hope and what we hypothesize is, with all of the outside funding that exists in the venture capital world paired with small and medium businesses who are hungry to partner with us,

we are going to open the aperture of partners, and we think the American defense industrial base will respond.

Mr. CALVERT. Thank you.

Ms. McCollum.

ARMY TRANFORMATION INITIATIVE

Ms. MCCOLLUM. Thank you.

Gentlemen, last week, you announced, as I said, the Army Transformation Initiative, and you called it a strategic approach to deliver critical warfighting capabilities, optimize America's—the Army's force structure, and conduct program evaluation better aligned with requirements. I totally agree with that idea. I totally agree with it. I am not here to protect the status quo. I am not here to slow things down when it comes to innovation. The chair and I have been working on that, and I credit his leadership and early thought on this. We work on this on everything.

But I am going to address some of the things that have been released by the Army with some of the programs that there is a proposal to cancel because—I won't speak for all the committee members, but I know the chairman and I and our staffs have fielded lots of phone calls and lots of questions.

So, for example, the Booker lightweight tank which—while accelerating the development of a new main battle tank, the Improved Turbine Engine Program, cutting the Future Tactical Uncrewed Aircraft System, the Robotic Combat Vehicle program, and, finally, the joint tactical vehicle and Humvee. And I think you make some good cases for why these programs need to be reviewed, relooked at, phased out, or just cold cut as you are suggesting, but those come with a lot of questions and anxiety from people who are working on those programs and companies who have made investments in those programs. I am not saying we shouldn't do it, but I am just saying let's put our thoughtful hat on here for a second about how we go about announcing and moving forward with some of this.

So I just had breakfast with the Joint Chief just an hour ago, and we were talking about how we need to look at some of these manufacturing facilities and figure out how they can be part or work with some of the smaller companies and primes to retrain workforces and all that. So that needs to be part of the discussion we have up here.

And then there was another thing that I just got the information back on yesterday. So cuts to the Joint Light Tactical Vehicle. "Joint" is the key word here. I was disappointed to find out that the Army had not coordinated this announcement of the cancellation of the program with the Marine Corps, who is part of the joint purchase.

I am curious to know why, you know—or what you are going to do in the future to avoid these unilateral actions on joint projects because, whereas you might see this as a money saving, the Marines might need them, and we might see the Marines' cost per vehicle shoot through the roof. So we need to know on—how the deliberative process, especially on joint—how you are moving forward with that.

And, of the remaining programs to end, if you could kind of tell the committee, or if you don't have it with you—there is a cost to close out. So this is going to—this just isn't going to—it will save—I get your spreadsheet. It is saving money in the long run, but you are going to have to spend money to close them down. So we would like to know what your estimated close-out costs.

And then, finally, when problems arose when the Air Force announced they were sending the A–10 program, we all have our stories that we could tell about the A–10 and the battles on the House floor, the battles in the authorizing committee, the battles we had in the Appropriations Committee about that. You know, and I am a person who supported ending the A–10 program right away. I am a person who actually supports BRAC.

So I am not afraid to talk about cancelling programs or phasing programs out, but I need to understand better how you are going to work with Congress and work with industry, especially to ensure a soft landing for some of these Army programs that are going to be canceled, and how they fit—as I asked in my opening statement, how they fit into your 2030 initiative, or are we going to see a refresh of the 2030 initiative? Thank you.

Mr. CALVERT. I thank the gentlelady.

Chairman Cole.

LESSONS LEARNED FROM UKRAINE

The CHAIRMAN. Thank you very much, Mr. Chairman.

I am, like my colleagues, very interested in the lessons that we are drawing from Ukraine. I have never seen anything transform our thinking quite so rapidly as that war. As terrible as it is, it has certainly given us a chance to rethink our own force structure and what we ought to do.

So let me start with you, if I may, Mr. Secretary. If you had to pick the three things that have struck you the most or you think we ought to be aware of as we think about refashioning the force, looking at Ukraine, you know, what would those things—and, to be fair, I am going to ask General George the same question. I am not trying to pit you against one another. I am just very, very curious about, you know, how—what you are seeing.

Because we have traveled extensively. I have seen Ukrainian Patriot batteries training at Fort Sill in my district. I have been to Europe and watched Ukrainian soldiers training on NATO facilities and interacting with NATO soldiers, certainly with our soldiers in particular, and I am just, you know, enormously impressed with how much we are learning. But I am curious how you would see it and how you would integrate those lessons into what you are doing now.

Secretary DRISCOLL. Absolutely, Chairman.

So I think one of the first things is it is impossible to move. So, the moment you are near the front lines, there are so many sensors that exist. The Army has for a very long time said we own the night. A lot of our offensive capabilities were built around the fact that we own the night. That no longer is sufficient with drones and all of the other sensors. The moment a human or a thing starts to move, the enemy knows.

The next one is technology leads. So, when General George and I are talking about these platforms of the future, oftentimes, we are referencing that they are software systems that are just manifesting in the world as hardware. What they will need to be able to do is be updated in near real time.

So what we are learning from drones in Ukraine is they are updating the software and some of the hardware components on these drones every 2 weeks. Our best guess is that, today, with our current systems, we might be able to pull it off in 18 months at scale. That is just not even—it is so far from sufficient for the modern warfare.

And then the last one is just the speed of war. So the ability to have swarms of things, whether they are autonomous or human-led, is just making it so that the command-and-control layer that we are about to describe throughout this hearing and the digital layer that is going to be required to basically allow our people to sync with our things and sync with our sensors—that layer needs to be fast; it needs to be protected; and then probably in the future what it needs is it needs to be able to have some sort of generative AI models that can come in and help with things like targeting and all of these different things that human beings have done for a long time, but the speed has changed so quickly that humans are just not able to keep up and it requires software solutions.

The CHAIRMAN. General.

General GEORGE. I am probably going to expand on a couple of things that the Secretary said. I think, overall, we are paying attention to this all the time. We get a lot of briefings back on this, talking to the Ukrainians. We are learning across every warfighting function. The one thing that I hear from our troops is that we are not moving fast enough. I mean, that is the feedback that I get and why we are, you know, trying to move this forward and why we are talking about Army Transformation Initiative.

I think the big thing is the first one that the Secretary talked about. You cannot hide on the modern battlefield. We have to develop, you know, systems that are lower signature. You are going to have to be more mobile. Everything is going to have to reduce their signature, and that is both visible and on the electromagnetic. We have to work that out.

Second is on drones. Drones are going to be in every formation that we do. We are going to have autonomous systems in every formation. Whether it is to protect, detect, or attack, those things are going to be in every kind of formation. A logistics formation and an artillery battery that I know you are familiar with—everybody is going to have to do that.

And that gets to training our formations up and down on how we are doing that, and that is why I mentioned how we are going to have to change how we are organized because we are going to have to be organized differently, and that is part of Army Transformation Initiative as well.

And then I will probably add one thing because the question came from you, Chairman, is on—is just the efficacy of long-range fires, and I think we have seen that. I mean, Ukraine did not have—and this is using drones in long-range fires—did not have a Navy in what they were able to do with the Black Sea Fleet. So

that is another area that we are working on very hard. We have to move very quickly in that area as well.

And I think it was brought up about having magazine depth. That is the other thing that we are looking at and making sure that we can move quickly in that area.

LONG-RANGE FIRES

The CHAIRMAN. Well, you anticipated one of my questions, which I was going to ask you specifically about long-range fires and what lessons you have drawn there. Because I am struck, just as Chairman Calvert was, about the transformation of the nature of this war in progress from what we saw at the beginning to this drone—the percentage of casualties now inflicted by drones on both sides. And, honestly, I have been—and I would love to be told you are wrong or whatever. So don't hesitate. But, to me, just watching it as a nonprofessional and outsider, I have been shocked about how little conventional air power has played in this conflict.

You know, we have been able to fight without looking up for most of my lifetime. You have got to look up on battlefields now because it is not a jet roaring over your head that we can take care of. It is this small drone that is, you know, not slow enough that we are not knocking it out with air power.

And I have been shocked about, frankly, how little the advantage Russia would have in the conventional fight in the air has mattered on the ground in this particular conflict, partly because of drones, partly because there is so much more reach in long-range fires now than there used to be, but they are certainly not flying much over the skies in Ukraine. And, obviously, our Patriot people are part of that, but it is just stunning because it is a lot different than the most recent conflict.

If you would, just quickly, General George, if you have any reflections on any of that. Yeah. I would love to hear your thoughts.

General GEORGE. Yeah. Chairman, I appreciate getting the chance to come back. I mean, I would, you know, follow up. The list would be longer. It is hard, you know, to go down and stop at three.

You mentioned Integrated Air and Missile Defense. So the same reason that we are being really effective with long-range fires, we are going to have to innovate and move quicker. And, again, this gets back to we can't wait to 2030 or any of those things. We have to be moving out, and we are doing that.

When we talk about Integrated Air and Missile Defense, we also—we should also be thoughtful of counter-UAS. We are very focused on sense, decide, and act. So act can be kinetic or nonkinetic, but we have to innovate in each of those areas. So our sensors are going to have to be ubiquitous. We are going to have to look for cheaper sensors that are with every formation because everybody is going to have to be alerted to that.

And I don't care what—and I talked to our service chiefs—what service you are in. Drones are going to be, you know, out there, and long-range fires are going to be able to reach, and so we have to focus on that. So that is what we are—that is what we are attempting to do and do that as rapidly as possible.

What is a challenge, obviously—and a lot of the drones are dual use, and it is coming, you know, that—you know, we are seeing drones that can lift, you know, big and heavy—we are going to use them in logistics. That is ahead. And what we need to do is make sure we are doing the same thing and that we have the same agility when it comes to counter-UAS so that we are maintaining pace with that threat that is going to be out there.

The CHAIRMAN. Thank you very much.

I yield back, Mr. Chairman.

DRONES

Mr. CALVERT. Secretary, did you have a further comment?

Secretary DRISCOLL. Oh, I was just going to add. I think one of the things we spend a lot of time thinking about is if it is true that Russia has manufactured nearly 1 million drones. We are an incredibly wealthy Nation, perhaps the wealthiest in human history, but even we cannot fire $4-million kinetic weaponry at $800 drones for very long.

And so one of the things—back to the speed of sharing information—that we need as a Nation is we need to be able to take down some drones with 50-cal rounds because a 50-cal is pretty cheap. We need to be able to use directed energy at scale. We are trying to make it so that we can envision a war—because many of the greater wars last a very long time, and we are going to need to be able to afford that war.

And so, in most of our decisions, what we are talking about as an Army is, how do we prepare to engage with a near peer or a peer for a very long time and make the math work?

The CHAIRMAN. Thank you.

Mr. CALVERT. Thank you.

Mr. Morelle.

DIVESTMENT OF AIR CAVALRY SQUADRONS

Mr. MORELLE. Thank you, Mr. Chairman, once again, for hosting these hearings, and ranking member.

And thank you, gentlemen, for being with us today and for your service.

I want to start with Secretary Driscoll. I represent Rochester, New York, which is home to REMADE, which is a manufacturing USA institute that specializes in remanufacturing. And I have seen firsthand how innovations in this space benefit the Department, particularly the Army's use of remanufacturing to modernize aging Delta model, Apaches, and Echo models. The 10th Mountain Division at Fort Drum—which I know you are very well acquainted with, having served there—still operates the Delta models and is awaiting Echo replacements.

I read, I think, just in a memo last week from Secretary Hegseth's a memo proposing the divestment of air cavalry squadrons, raising serious questions about the future of these aircraft. And I wonder if you could explain the justification behind removing the armored cavalry squadron from your combat aviation brigades and what the Army's rationale is for nearly—for taking nearly half, I think, of your Apaches out of the Active Component.

General, if that is a more appropriate question for you——

General GEORGE. Yeah. I will jump in there on that one.

Mr. MORELLE. Yeah.

General GEORGE. And I think this goes back to what Chairman Cole talked about with, you know, autonomous systems, where we are going with manned systems, and just the amount of money that we spend on these systems.

So we are going to take the AH–64 Deltas. They are twice as expensive as the 64 Echoes. We are going to keep some of the pilots that we have—we have great pilots—and thicken the lines with our maintainers. And so that is the plan that we are going to do, and we are going to invest that in autonomous systems. I think we are going to look in that autonomous systems, manned and unmanned teaming.

And, actually, I think just because we have had struggles with operational readiness rates of our AH–64 Deltas, that we are actually going to have a more ready aviation formation, and that is what we are after. But we are looking to the future. I mean, autonomous systems are cheaper. How do we, you know, find the right balance?

Mr. MORELLE. So do you expect that there won't—I am sorry, Mr. Secretary.

Secretary DRISCOLL. Oh, Congressman, I was just going to say I don't know that we know what the right mixture is. There is no obvious recipe for manned and unmanned and Apache versus drone, but we do know that it needs to be some sort of mixture. And we are overly weighted right now—because that is just how technology developed—toward manned, and so a lot of these are corrections toward the future. And we would want to work with this committee as we are learning from soldiers and learning from what is occurring around the world to figure out that right mixture and spend that——

General GEORGE. We did actually war-game this as well. I will tell you that we have gone through this, and we have done war games on it. We have done the analysis on it, and we are happy to have somebody come over and——

Mr. MORELLE. I would love that. And so it does sound to me, General, that the expectation is that the Echo Apaches would be clearly preferred. I would just suggest that our ability, as I understand it, to remanufacture the Deltas into Echo models is far less expensive than new Apache Echoes. But I would love to have an opportunity offline, perhaps, to be able to have a further conversation about this, if that would be all right.

Secretary DRISCOLL. Of course, Congressman. And we can look at the difference in spending and follow back up with your office.

Mr. MORELLE. Great. Thank you.

BLAST OVERPRESSURE EVENTS

If I may, with my remaining time, General, protecting the health and long-term readiness of servicemembers, obviously, is a top priority for all of us. We continue to see servicemembers suffer traumatic brain injuries, particularly from blast overpressure events. And I know we have made some progress, but as I understand it, there remains no standardized field-deployable device to monitor and record blast exposure in real time, and that leaves soldiers, I

think, vulnerable to—it leaves them vulnerable and underdiagnosed, as I understand it.

So can you talk a little bit about the plan for accelerating development in deployable—deployment of reliable blast monitoring devices and how we can help support what I think is an urgent need?

General GEORGE. Sure, Congressman. This is something else I would be happy to come over and go into with you in detail.

So I just had—we are going down to our special mission units, and they are actually working, you know, on this force very specifically and resourcing them to go through this. So part of this is, too, testing, and we are working through the testing to make sure that people—from the day you come in the Army, that you are tested and what this is. And everybody responds, as you would imagine, a little bit differently, just like we respond to physical things differently.

I think the biggest thing is figuring out how we change the training. You know, what kind of charges are we using? I mean, we are going to have to do the things that we are going to have to do to make sure that we are ready. How can we adjust training? And then we are all looking at everything from helmets—how are helmets designed? What is the padding inside the helmets? You know, what are the individual detectors? So I can go through that with you.

And we have industry—obviously, there are more people that are interested in this than just us. There are other folks, but we want to lead the way on that. We are working very closely with SOCOM and our special mission units.

Mr. MORELLE. I will also ask, as I understand it, I don't know if that blast exposure and monitoring data is put into the long-term healthcare records of our warfighters. I wonder if—and we can talk about this offline—but if you would consider that as part of their health records.

General GEORGE. So the testing that I mentioned—I think it is ANAM. So I hate throwing in an acronym here, but there is—because I don't know what the hell it stands for—but there is a—you go through an online testing for that, and that is entered in everybody's record. So I have that, you know, before I deployed to Iraq and Afghanistan, and all those things get entered into your record.

Mr. MORELLE. Terrific.

Thank you, Mr. Chairman.

Mr. CALVERT. Thank you.

Chairman Rogers.

AVIATION READINESS

Mr. ROGERS. Thank you, Mr. Chairman.

Welcome to the gentlemen this morning. I bring you greetings from the men and women serving the country at Fort Campbell, Kentucky, home of the 101st Airborne Division and the Army's Air Assault School.

With that in mind, I reviewed the Secretary's transformation memo, including the proposed end to Apache and Gray Eagle procurement, which would be a major shift. I support building a lean-

er, more lethal Army, but I have real concerns about maintaining aviation readiness and combat power.

Mr. Secretary, what analysis or war-gaming backs the decision to cut air cavalry squadrons? How are we measuring risk to lethality and responsiveness?

Secretary DRISCOLL. Congressman, as we told your colleague, one of the things that we have seen from looking at modern combat in Ukraine and around the world is manned aviation serves a purpose, and it will likely continue to serve a purpose for decades to come, but in the world of very cheap, swarmable drones, it cannot be the only thing that we invest in.

And so, from our perspective, because we owe a duty and a burden of care to the American taxpayer and the soldier, we have to look at our resources that we are given, and we have to allocate them to different pots. And so, when we look at what we need to invest in, we need to overinvest in UAS and underinvest in manned systems going forward to create a more sustainable ratio.

NEW SYSTEMS

Mr. ROGERS. Ending Apache and Gray Eagle will leave a serious gap in our attack and recon capabilities. What new systems would replace those functions and when?

General GEORGE. I will jump in on that one, Congressman.

So I mentioned in my opening statement that we had a brigade that was over in Europe. It did not have Apaches. It was 300 percent more effective. It had drones, had loitering munitions, long-range fires, and part of that is bringing—I think we have all those systems that can come on right now.

And, again, like my Secretary said, when we show industry that we can do this with drones, I think that they will come out. The drones that we had in that third brigade that we did for transforming in contact were different from the first ones because they have advanced, and we are advancing with it.

I would say it is the same thing on Gray Eagle. Right now, there are vertical take-off and landing drones that are significantly cheaper, you know, that have some pretty amazing capability, a very similar capability. And I don't think—what we can't afford is to have a company that has set aside, you know, 150 people to run drones from an airfield when we can have a crew of two or three run a drone that could be pulled right out of the back of a truck or one of our utility vehicles and it can operate.

So I think we can actually increase our lethality when we infuse our formations with this, and that is what we are seeing through our experimentation and what we are doing with transforming in contact. We just need to get that—you know, we need to make these changes and get those things to our formations as soon as possible.

Secretary DRISCOLL. And, Congressman, we intend to—the assets that this committee has funded for us and that we have, like the Gray Eagle, we want to continue to use them. And they do serve a purpose, the ones that we have. What we are advocating for is not purchasing any more because there are a lot of solutions on the market that we think we need to be testing and spending on to figure out what works best.

Mr. ROGERS. We thank you both for your service to the country. I yield back.

Mr. CALVERT. I thank the gentleman.

Mr. Aguilar.

MIGRANT ENCOUNTERS IN NATIONAL DEFENSE AREAS

Mr. AGUILAR. Thank you, Mr. Chairman.

General George, thank you for the support that the Army provided in response to the wildfires. I know those of us in southern California greatly appreciate the support.

Mr. Secretary, General, I, along with other members of the committee, are concerned about the implementation of the new National Defense Areas along our southern border, the transfer of land from the Department of the Interior to the Department of Defense without congressional approval.

Mr. Secretary, can you walk us through what occurs when a soldier encounters a migrant in one of the National Defense Areas? How long is someone detained by soldiers before they are transferred to CBP authority?

Secretary DRISCOLL. The National Defense Areas—we, the United States Army, stand prepared to take them on when they are transferred to us. We immediately treat them like an Army base, which we have a lot of experience providing security coverage on.

When I am on Army bases—and I have been traveling the last 75 days—you see armed security on all of these bases, and we look at the facts specific around the base to figure out what level of security should we be providing. And so the Army is very well trained with this. We have 250 years of providing security on our bases.

And then, specifically to your question, Congressman, what the soldiers will do is they do not have law enforcement functions, and so they will hold them for a reasonable period of time if law enforcement—for law enforcement to come take over and do their functions.

Mr. AGUILAR. What is a reasonable period of time, and what do those conditions or facilities, you know, look like as you—as they are being held?

Secretary DRISCOLL. As I understand it, Congressman, the reasonable test that occurs in many areas of the law varies based off the situation. And so our soldiers are incredibly well trained to not get outside of their duties, and they will be professionals every single time.

Mr. AGUILAR. Can you give me one example? I know there are various, but can you give me one example of what it would look like?

Secretary DRISCOLL. Right now, we visited our 10th Mountain Division that is out at Fort Huachuca down on the border. What they are doing is providing patrols and overwatch. And so they had strikers up on a hill, and they were looking through the equipment, and when they would see an illegal immigrant cross the border, they would call the Customs and Border Patrol. Those agents would then go interdict that person. And so we have been doing it for the last couple months with no problems so far.

Mr. AGUILAR. Is there any specialized training that the Army is giving these individuals to provide that overwatch in these new National Defense Areas?

General GEORGE. So I think we are doing a lot of—you know, a lot of these missions that we do as far as doing security missions, patrolling, reconnaissance—these are things that we are trained at and very good at. Everywhere that we have been down there—and we talk not—probably almost every week to the folks that are down there that are doing this. It is a NORTHCOM mission.

But there is a very close relationship with Customs and Border Patrol. Soldiers understand what their rules of engagement are, what they are supposed to do, and, you know, same thing—because this is a Department of Homeland Security mission—how they would handle that with them. So there is really close coordination. And, honestly, I have had—none of those issues have come up, and we talk to them quite a bit.

Secretary DRISCOLL. And, Congressman, qualitatively—it is not quantitative, of course—soldiers seem to value the mission. They enjoy doing this. They think it is adding a lot of value. I think the partnership with the Customs and Border Patrol—I think when we have spoken to those agents, they have valued having soldiers, and it goes both ways. And so, at least from what we have been able to see, it has been working so far.

Mr. AGUILAR. What missions are being delayed or diverted while this is made a priority? I understand that soldiers appreciate being active and being out there. What are we not doing by doing this?

General GEORGE. You know, I can't think of anything off the top of my head that we are not doing. And this is an important mission. As SECARMY said, our troops are excited to do this.

We have, you know, talked to the 2nd Brigade 4th ID that is down there in Tenth Mountain. You know, part of what we are doing—they are doing a lot of the missions that they would, you know, tend to have to be trained to do. We are also working with them while they are down there to make sure—you know, again, back to the transforming in contact—what can we do to update their network while they are down there? They are learning a lot. You know, they are helping us with the counter-UAS mission.

So, you know, again, I think that is what we are trying to do. We are finding a lot of value in what we are doing down there.

Ms. MCCOLLUM. Would the gentleman yield for a minute?

Mr. AGUILAR. Yeah. I will yield to the ranking member.

Ms. MCCOLLUM. Or the 20 seconds you have left.

So you talked about training. When you are defending a military base—and that has been your description of this—whether that is at home or whether it is abroad, there is lethality involved. There is an amount of intentional force that can be used that might not be lethal, and so—the things that the Custom and Border agents don't necessarily do.

So Mr. Aguilar asked a very good question. How long, how fast, and what kind of training is going on? Because the last thing I know the United States Army wants—because there is going to be language challenges and everything else—is for an unintended consequence where someone is either seriously harmed or—you know, hopefully this doesn't happen, but lethality issues. So I think it is

an important question to ask that Mr. Aguilar asked, and I didn't hear a good answer on what you are doing for training.

Thank you, Mr. Aguilar.

Mr. AGUILAR. Just real briefly, Mr. Chairman. Sorry.

I think asking the question about cost is also, you know, important. That is why we are here. There is a cost to this mission. But, with everything that this committee is focused on in INDOPACOM, I just struggle to think what we are doing here in this new authority and this new designation—how is it helping prepare us from an INDOPACOM perspective? I think that is a concern that all of us should have.

Thank you, Mr. Chairman.

Mr. CALVERT. I thank the gentleman.

Mr. Womack.

RISK OF NOT GOING THROUGH TRANSFORMATION

Mr. WOMACK. Thank you.

My thanks to Secretary Driscoll and General George for your service.

Congratulations, Mr. Secretary, on your appointment. And you are off to a fast start, and we appreciate that.

The common theme today has been the change that is being ushered in, and that change is out of necessity in part because of technology and the changing concepts of war, as evidenced by what is going on in Eastern Europe, but also brought about by budget. We do have a lot of budgetary concerns. And there is no secret to the fact that the Army is a payfor right now. It is one of the bill payers in this pivot that we have made to the Indo-Pacific region. I am not going to go too far into that.

But, in effecting the change, this Transformation Initiative is doing something that—we may not agree with all the parts of it, but, man, I applaud it because, as my old friend Sam Walton said in his tenth principle of success, swim upstream. In other words, get out ahead of change. And the Army has been clunky. The Army has been bloated. The Army has not been very nimble over time. I mean, I think of programs like Comanche and FCS and Booker, and these are the kinds of things we have to avoid because we are in a resource-constrained environment.

So I am going to ask you the question about risk, the risk of going through transformation, and the risk of not going through transformation. I want to ask that risk question both ways, Mr. Secretary.

Secretary DRISCOLL. Congressman, as we view it, war in the last couple of years in human history has hit an inflection point. War will no longer look like what it has for the past two millennia where it is driven by human beings. What we believe is war will likely continue to occur between human beings on land where the Army thrives, but the tools that we need to empower our soldiers with in order to fight and overcome any enemy in war, it is going to require and is requiring a complete rethink of how we arm, train, and equip our soldiers.

And so, from General George and my perspective, I think to your point of risk, the risk is much greater to keeping the status quo, to allowing systems like Booker that were best intended and done

poorly. And one of the things when we met with the Pentagon leadership was General George and I said, "We got it wrong. We, the United States Army, have to own that. We have got to get our processes better. We have to be better partners for industry. We have to empower them with our needs and work with them along the way. We have to keep costs down, and we need to improve and own it."

And so we are not proud of the outcome of the Booker, but what we are trying to do is not fall prey to some cost fallacy where—because we have invested all of these dollars into this machine that turned out to be inadequate, we are going to keep purchasing it. Instead, what we want to do is be completely transparent as we view truth with this committee and work with all of you and all of your experience across both sides of the aisle to make the Army as strong as it can be so that—when we send soldiers to combat in those first 6 months, what we are terrified of is, if we don't do this Army Transformation Initiative, those first 6 months are going to be incredibly painful and heartbreaking, and then that is when our Nation will make the changes.

Mr. WOMACK. Chief.

General GEORGE. Yeah. Congressman, I think I agree 100 percent with SECARMY. The biggest risk here is not changing and not changing fast enough. And, again, everywhere we go, when we talk to our soldiers, it is like, okay, let's move out. And that is not the problem. They are very innovative. We have done this in the 101st, where they have completely transformed. They are ready to move out.

I think the risk—you know, all the challenges we are facing typically happen at a much higher level with people who don't want to change how we have been doing things. I think everybody knows change is hard, and that is where we are finding the biggest challenge. And I think we are going to have to drive this, you know, from the top down and remember that our number one customer out there is the soldiers that are out there in our formation and make sure that we stay focused on what they need.

FUTURE OF THE ARMY NATIONAL GUARD

Mr. WOMACK. It won't surprise any of my colleagues nor will it you that I would ask a Guard question. You know, I think the Guard brings value, particularly in a resource-constrained environment. We get a lot of benefit from our Guard if we can keep them trained and ready.

What does the future of the Army Guard look like in the formations that you are proposing with transformation?

General GEORGE. I will go first on that one, Congressman. I agree with you on the Guard. And, you know, when I go to talk to all the commanders at our pre-command course, you know, I put up a big pie up there and show where everybody is from. And we are going to have to go as the whole Army. I mean, that has been our history, and we have got to make sure that we are ready.

So this is all part of it for the Army Transformation Initiative. We need to have—we need to transform those Guard units. It is going to be a little bit harder, but I will tell you that they are all in on doing this. We are looking at transforming—you know, we

will announce there are three Army brigade combat teams that are going to be Mobile Brigade Combat Teams. Again, all they want is, like, "Hey, how can we do this faster? How do we get the, you know, technology into our formation and do it more quickly?"

We have done the same thing with the network. You know, they are going to have to have drones. We are going to have to do this across our formation. We need the Guard. They are still going to be the operation reserve for our country, and we need to make sure that we are transforming them at as fast a pace as we can.

Mr. WOMACK. Thank you. I yield back.

Mr. CALVERT. I thank the gentleman.

Mr. Cuellar.

SOUTHWEST BORDER

Mr. CUELLAR. Thank you so much.

I would like to ask a question about the southwest border. I am from the border area. I live there.

Tell me—traditionally, when the military goes down there, in the past, they had done more what I call support staff, behind the joystick, watching cameras. I think there is a more important role on it from building river roads because, right now, if you have the river, the roads—Border Patrol will go this way, but they can't go across. So I am looking at River Roads.

The famous carrizo cane. I don't know if you are familiar with carrizo cane. It is an invasive type of plant that grow the height of this. And Border Patrol, it is on both sides of the river, but I am talking about the American side. So Border Patrol can't really see. They can have cameras, but they can't, you know, see through those. So eliminating that and just the very basic things that you all could look at.

And so do you have any ideas? I mean, I can give you a whole bunch of other ideas, you know, from intelligence. You know, the other thing we brought up at another meeting—the drug cartels just a couple weeks ago shut down a—brought down a—not shut down but brought down a Border Patrol drone, and so now the bad guys have the ability to counter ours. And, as I have said in the past, while we are going through all this procurement, all they do is they go to Best Buy, buy all their drones, they will go back, and they just have drones all over the place and watch what we are doing on this side of our law enforcement.

So those are some of the areas and very basic things, from River Roads to carrizo cane to, you know, the interception of the drug cartels' drones. Any thoughts what you all can do? Because, look, keeping the military at the border is expensive. Very, very expensive.

So, if we are going to get the best bang for the dollars of taxpayers, you know, we need more than just sitting behind joysticks. And I am not saying you are doing that, but in the past, they have done that. Providing support staff for the military—I mean for the Border Patrol. Something that is a little bit more useful, I think, for folks that live down on the border for Border Patrol.

Secretary DRISCOLL. Congressman, we totally agree. And General George—when he said earlier we talked to the leadership from 10th Mountain that are down on the border nearly every week, and

one of the—what we have tasked them with is get lessons learned from this that can translate to how we create our formations for future conflict in INDOPACOM and anywhere we send them because what is going on with the cartels at the border is requiring our soldiers to do exactly what you are talking about, which is think about UAS, think about counter-UAS, figure out best practices for taking a drone that was bought at Best Buy that can watch their movement because, again, we just cannot move without things seeing us anymore. And how do they operate in that environment?

And then, to your offer of having suggestions for ways that we can improve and use the Corps of Engineers to help improve the border and help the communities on the border, we would be delighted to see that list if your office has it because I think a lot of your constituents will know things that we won't know, and we can learn from them.

General GEORGE. Yeah. I just would add I would love to get you down there with JTF-Southern Border with General Naumann who is down there. I think then, if you had very, you know, specific input that you wanted to pass him—pass to him. You know, beyond the cost—which, I mean, it is a mission that somebody has to do—I would say that we are very effective with that.

And, when we were down there for the very first briefing right after 10th Mountain got down there, there is—Customs and Border Patrol are working hand in hand. So, I mean, I think that is good. And we are sharing—it goes both ways. How we are communicating, how we are passing data, you know, how we are getting after that, how we are leveraging technology. I mean, there is a new counter-UAS system and software that we are doing.

So, again, we are trying to use this as an opportunity. There are areas that we need to improve on, and it is a good opportunity for us to do it.

Mr. CUELLAR. Yes. And I would like to—certainly, I will take your offer and invite any of the members to be down there and give you some ideas that I think are very, very useful for Border Patrol. And, you know, I would love to sit down with you.

I know I think you all had somebody at Laredo, a group of folks. I thought you all had some folks there. And I have talked to them, but it needs to come from you all, if you know what I mean.

Secretary DRISCOLL. Yes, sir. And then Ranking Member McCollum had referenced earlier the joint force. This is a different version of the joint force. But learning to work with the Border Patrol is testing our systems and testing our ability to get information to flow back and forth. And, as we work to make that information go faster between these two independent forces, that will help make us stronger and better as we operate around the world.

Mr. CUELLAR. And, just to finish, some people think that the drug cartels are not very smart people, but when you have got so much money, you can hire the smartest people. And they are an adversary. And I certainly, you know, would love to sit down with you and any other member that would like to go down to Laredo. The Mexican food is pretty good down there.

Thank you very much, Mr. Chairman and Ranking Member.

Mr. CALVERT. I thank the gentleman, and a point well taken. The cartels, unfortunately, have been hiring a lot of former Mexican military personnel and using them that are pretty well trained.

Mr. Aderholt.

ACQUISITION AUTHORITY OF NEW COMMAND

Mr. ADERHOLT. Thank you, Mr. Chairman.

Good morning. Again, welcome to the subcommittee, and thank you for your testimony.

Mr. Secretary, your submitted testimony regarding IMCOM, an organization that will be critical in Army's role to Indo-Pacific—and so we are very encouraged by that.

But the recent memo suggested the merger of the Army Futures Command and Training and Doctrine Command into a single command. Given the urgency to modernize, as you have indicated, will this new command have any acquisition authority, or will you continue with today's current—and, you know, sometimes, quite frankly, slow—requirement process? If either one of you want to——

General GEORGE. I will start on this.

So, first, I think we both said in our opening comments, part of this is streamlining some of our—you know, it doesn't make it necessarily—having a whole bunch of headquarters doesn't make things go faster. I would argue that, you know, streamlining that will help.

There are a couple of things we are doing. This will really help, I think, on the requirements process because, right now, we have all these different functions that are trying to do similar things in two commands, and we need to combine those together. So that is one aspect of it, but it also gets to changing our processes.

One of the things, for example, that we have done with our next-gen command and control is, rather than give a 250-page requirements document, we are basically explaining the characterization of need. We are saying, "Hey, here is the problem we need industry to solve," and we went out there and there is a consortium of those tech industries that were able to help us do that. That is one aspect of it.

The other is that we have to put users and developers together inside our formations. That is another thing we are doing. So you have engineers and smart people that know how to solve these problems with robots or drones that are right inside of our formations, and they are seeing, you know, the problems that our soldiers are facing.

So I would say it is a combination of things, and I think combining these headquarters will help us to streamline that. It is also going to get more of our leaders back down into our fighting formations, which is something that I know everybody wants.

Secretary DRISCOLL. And, Congressman, just anecdotally to kind of tell a real-world example of how we are trying to think about things differently, we—the chief and I visited the West Coast and went to a tech company that makes autonomous software for vehicles, and we said, "Have you ever tested this on a military vehicle?" And they said, "No, we can't wait the couple of years to get it. There is too much paperwork. There are too many forms." And we basically worked with the team to get them a Humvee and an in-

fantry squad vehicle within about a week. And they said, "Well, what do you want us to do with it?" And we said, "Well, just do anything you can do to it in 10 days and send us a video."

So they sent us a video. They had fully automated it. They had tied it in with drones. They had made it so you could repair it with the manual that they had uploaded to a screen remotely. And then they sent us this video, and we thought, "This is incredible." We have got to get it in the hands of soldiers. So we put it on a shipping truck and instantly drove it to JRTC, and this morning, I woke up to a video of soldiers testing this new system. The entire time, from start to in the hands of soldiers, was about 6 weeks.

And so what we are hoping to do is basically capture these lessons in real time. We don't know that it is a good idea or not, but we know that we will know in about a week if it is a good enough idea to invest some more resources. And I think the merger of these two commands—the intent is to empower soldiers that are currently stovepiped to work together to do these things at scale across the formations.

STRYKER VEHICLE

Mr. ADERHOLT. Thank you. The Stryker is sometimes referred to as the Army's Swiss Army knife, and it is the most deployed combat vehicle with more than 30 million miles and 23 current deployments.

And I will give this question to you, Secretary Driscoll. What is your assessment of the Stryker vehicle, and could you speak to the Army's plans for future production regarding it?

Secretary DRISCOLL. Congressman, I think the Stryker adds a lot of value to moving our soldiers around. I think what we have seen in Ukraine is, with the Stryker, you probably couldn't get too close to the front line without a relatively cheap drone being able to take that platform out of service. It is a massive value to the Army as we operate on land with people to be able to reposition our people. And so there are currently no plans to change how we think about the Stryker.

But I think one of the things that we have tried to flag to the entire formation and in our letter is this is an iterative process. We view this transformation—what you have quoted today for the ATI—as just the first phase. It may be 1 month later, 6 months later, or a year later that we come back to this committee and say, "Here is what we have learned; we think we need to do this next batch of changes," and so—because it is all going to be, how do we create the right mixture of assets and tools and training so that we can be ready for the next battlefield which could show up anywhere in the world?

General GEORGE. Can I make a quick comment on that?

Mr. ADERHOLT. Please.

General GEORGE. Because the Stryker—having been a division commander, having deployed in—you know, with these formations—is a great system. And, you know, we have it, and we are going to do some consolidation of some of those that are at Fort Carson. I do think that they have a role to play really around the world. We are using them for counter-UAS systems. They are great for command-and-control systems.

So I think we see a part in them. But, again, this is not just that every formation has to have them. I think we are trying to figure out, to the Secretary's point, what is exactly the right mix that we need to be able to respond when our country calls on us, and that is—you know, that is what we owe.

Mr. ADERHOLT. Thank you. I yield back.

Mr. CALVERT. I thank the gentleman.

Judge Carter.

MERGER OF FUTURES COMMAND AND TRADOC

Mr. CARTER. Well, thank you, Mr. Chairman.

First, I want to thank you both for coming to my office and talking to me about—this week and last week—regarding the Army's modernization directive, especially the discussion of merging Army Futures Command with TRADOC. As you know, my biggest concern is enabling the bureaucracy that has delayed acquisition over the years. We have got to move faster. We have got to be moving faster to be lethal. And we don't want to enable people who keep us from getting what we need to the battlefield, and I love what you are saying so far.

So can you explain to me how merging Futures Command with TRADOC would decrease the bureaucracy's ability to slow down and allow us to streamline to acquire technology at a pace that is relevant?

General GEORGE. I will start on that. So, you know, our plan right now is we are going to, you know, be the Army's transformation and training command. It will stay, you know, the primary headquarters, Congressman, down in Austin. A technical hub. We like what is down there, you know, as far as the culture, the software factory, you know, the ideas for innovation and change. But a lot of these changes are also going to occur inside that command that has to happen at the Combined Arms Center at Leavenworth, at the Centers For Excellence.

And I mentioned it earlier when your colleague, you know, was asking about it where I think we can combine and move things and consolidate, you know, some of our form and function that we have at some of those places as well, like Fort Sill or Fort Benning.

The other thing that we are looking to do is to automate a lot of our processes. I think I have mentioned this to you. You know, when I can go to a smart board in my office rather than asking questions and I can immediately see the data. So some of this is changing our processes and how we are doing that.

And the last thing I would mention is—the Secretary mentioned this—we have had a lot of white-board sessions here on how we would—you know, we are going to move this at speed. And so I do think, you know, we have to transform faster, and we are going to have to figure out how we can buy things on a much more rapid, you know, Modular Open Systems architecture, and we are working on that as well.

Secretary DRISCOLL. And, Congressman, we have approximately 35,000 people that are in our acquisitions. We don't know what the right number is. That is too many. What ends up occurring is you just have so many human beings involved that everything gets

slowed down. And these are our own. This is not blaming anyone but ourselves.

We have just got to cut through some of these layers so that the feedback loop between the actual soldier testing the thing, getting that learning—or testing or using it in actual combat, getting that learning into our system, and getting that to the software developer or the manufacturer to get the next prototype out to get the next thing in the field is what has made American innovation so strong in the last 20, 25 years. These venture capital models for how they back companies to test, innovate, learn, grow, and repeat again and again and again until they hit scale—we, the Army, need to do it, and we are hopeful that we are taking the first steps.

ACCELERATION OF PROGRAMS

Mr. CARTER. Well, amen on that one. That needs to be done.

The acceleration of programs like the Future Long-Range Assault Aircraft and the M1E3 highlight the growing need for modernization of infrastructure. Is the AIT initiative making the necessary investments to support these platforms, and do you believe that we can build infrastructure quickly enough to meet the pace of modernization?

Secretary DRISCOLL. I can take the FLRAA, and then, Chief, if you want to hit the M1E3.

So the FLRAA aircraft, the rotary wing helicopter, is an amazing innovation that I think we, the Army, need. It is an example, I think, of our own systems and failures getting in the way. When they showed me the aircraft and said how fast it went and how far it went, it clearly will add capabilities that could be relevant in INDOPACOM.

But, when I asked, "Well, when did the first test flight occur"—and I think it was 2017 or 2018—my stomach sank that it had been 7 years since we think we had found what we needed but we hadn't transitioned to it. We hadn't figured out a path for it. It was kind of just at this stalled place.

And so we do think that FLRAA and with the ATI—that is probably our future, and so we are actively working on a plan and trying to sync with Pentagon leadership, Secretary of Defense, and the Deputy Secretary to move that forward as quickly as possible.

General GEORGE. Yeah. I will just really quick, Congressman, on the tank—it is fully digitized. So, again, the Secretary mentioned, you know, having a platform that is basically enabled by software. That is what this would be. Diesel hybrid electric, so, you know, half the fuel cost. Again, reducing the logistics that are on there. Modular, so you can add active protection. So people talk about drones. You could update the active protection system on this, and this whole system could be rapidly updated.

What we would like to have is next year—and I think we could move this—you know, this fast on this—is actually have some of those new tanks inside of our formation and get, you know—and have our soldiers giving feedback on that and what we need to do. I think we have to approach these different. I have always talked—you know, the program of record should be a little bit different. We have to build things that are modular and can be adapted and updated because that is the world we are living in.

POLICY AT THE BORDER

Mr. CARTER. And one more quick question. I have got a little bit more time.

Mr. Cuellar asked a good question about the border. Historically, our mission on the border was: Don't shoot back. Unless they shoot at you and kill or hurt an American soldier, then you can shoot back.

Now, if they are using a drone to knock down something important to us, why can't we use a drone—our drone to knock their drone down? There is no human really interaction there. No human being is dying. Are we still going to have to be fired at before we fire back? If they send a drone over the border to mess with us, can we shoot it down? What do you know about that policy? Because, historically, that has been the policy on the border. Our military can't shoot back.

General GEORGE. Yeah. I am going to have to come back to you on the specifics on that. I know we have made some requests that have come up on the 130i that is law on what we can do and what we can't do when it comes to drones and how we share information and what we can do; so we will come back with you on the specifics of that.

Mr. CARTER. Let me know because it doesn't make sense. There is no human being dying from the—if they send a drone over to knock it down. And, if they knock ours down, why can't we knock theirs down?

General GEORGE. What I don't think has changed—if anybody feels like they are a threat—you know, if they are being threatened, again, this gets back to that basic ROE. But I think your question is more broad, if you see anything flying that is out there, and we will follow up with you on that.

Mr. CARTER. Yeah. And, remember, that drug stuff that they are bringing across the border is killing more people than our soldiers are killing, okay? So that is really important to think about. If they got free will to send drones over with drugs, we ought to be able to shoot them down.

And I will yield back.

ACQUISITION ARMY PERSONNEL

Mr. CALVERT. Thank you, Chairman—or thank you, Judge. I appreciate it. There is one point you made I want to reemphasize.

How many people do you in the Army have in the acquisition program?

Secretary DRISCOLL. Approximately 35,000.

Mr. CALVERT. That is just the United States Army?

Secretary DRISCOLL. That is just the United States Army.

General GEORGE. That is a combination of acquisition, sustainment, engineers that do development. So I think there is around—you know, if you are, like, talking purely acquisition professionals, I think that is somewhere around 5,000. I mean, I can get back with you. But it is a—you know, like, a program that we have that is in sustainment. And this gets to why—you know, some of these things that we want to stop there becomes, you know, sustainment as well.

Mr. CALVERT. Let's just say it is 5,000 just in the Army. So I am making an assumption here that you have a significant number in the Navy, you have a significant number in the United States Air Force, and you have a significant number—I am going to ask a question to Mr. Womack here. I suspect—how many people do you think is in acquisition in the entire corporation at Walmart?

Mr. WOMACK. If you ask the leadership at Walmart and the shareholders, they would probably say too many, but not that many.

Mr. CALVERT. I was just curious.

Mr. Diaz-Balart.

ARMY CONTRACTS

Mr. DIAZ-BALART. Thank you very much, Mr. Chairman.

First, gentlemen, Mr. Secretary and General, thank you for your service. I hope you know that, when we say that, we mean it. It is such a crucial role that you play and those that you represent.

I love what you are trying to do. I really do. I think it is important. You have mentioned why you are doing it. We know the problem. It is a frustration that we have had, and Congress can be part of the problem. We know that.

One of the issues is it is kind of the chicken and the egg. One of the problems that we have as Members of Congress is, sometimes, you know, there has not been a lot of confidence necessarily in making sure that the money that we send is going to be used for things that are really important. And, again, we are part of that problem. I get that. A big part of that problem. But let me just throw a couple potential issues, for example.

Sole-source contracts, which can be hugely necessary and important, but sometimes you kind of wonder. And I just want to throw something out there. There may be a good explanation. But this Vital Torso Protection Program—that there were, in my understanding, a number of potential vendors, and then it was, in essence, I believe, sole-sourced to two, and yet it is almost a, you know, over $400-million program over 7 years. There may be a good reason for that. But that is the kind of thing that we see and it is like, whoa, what is going on here? And I know it is precisely the kind of things that you guys are looking at.

So I would just like if you could—and there are other examples of that, like the Low Altitude Stalking and Strike Ordnance. The LASSO program, right? It is a sole-source—loitering ammunitions, and I believe it is a almost a billion dollars over 5 years. Again, there may be good reasons for it, but I would really love if you could just get back to us, for example, on those two and others that you might see out there that—is there a real urgent reason to sole-source it? Is it saving us money? Is it urgent? And, if it is urgent, why is it for 7 years or 5 years? So those are the kind of questions that I know you all are trying to get to as well.

So, if you could just get back to me on some of those issues as to—are you looking at them? I am assuming that you are because you are looking at ways to be more efficient and saving money.

Another issue, for example. And, again, I am sure there is a good reason for it. But, when we are looking at saving money—and I think you guys are doing an amazing job—I think something like

modeling and simulation in training is something that, you know, logic would say, if done right, could save money and be very effective. My understanding is that the Army is planning to eliminate—and let me see if I get this right—PEO STRI, which I had thought was a potential massive cost-saving entity. And so any idea of how you would ensure that that continues—that that innovation and the training continues if that is eliminated?

I don't know if you have that answer now, and I don't expect you to have all these answers, but, you know, if you could get back to me on these issues. To be fair—because, obviously, I am throwing these at you a little bit of cold here, but those are issues that it would be very helpful to me if you could get back to me on those issues.

General GEORGE. I just want to mention on both of them—so, first, we agree with you on, you know, long-term programs. I think you heard me say earlier about program of record. We shouldn't be buying something and saying, "Hey, we are locked in for 7 years, and this is what we have got to buy given how much, you know, things are going to change." So we will follow up with you on those.

On the PEO STRI, I actually spent a year as a young infantry major working in simulations. In my view, the gaming industry and everything that we are doing—so it isn't just a matter of having—you know, I think we have a lot of changes that need to occur, I will tell you, down there. And I am very familiar with that. I can come talk to you about that. But this is another idea of things that we need to change how we operate and the companies that we are working with.

You know, when I was running a warfighter as a division and a Corps commander, it took 800 people. Basically, our soldiers as training aides. We can't afford to do that. There is technology out there that—right now that we can ingest into our system and make sure that we are training, and that is what we want to build, and we haven't, you know, gotten that. So I do think we need to make some major changes down there.

Mr. DIAZ-BALART. And, again, I just—I mean, I love the fact—to me, it is refreshing to see your attitude of just—you know, kind of not just content with the status quo, which we know has created some issues on lethality and, again, just being able to access technology, et cetera. So I love what you guys are doing, but if you can get back to me on those, I would greatly appreciate it.

Secretary DRISCOLL. And, Congressman, the only thing I would say is I appreciate your graciousness saying there is probably a good reason for why we are doing those things. There may not be. And what we are trying to do is reset the culture of the Army so that, when we look, if there is not a good reason or the reason changed—to tell you in this committee and work with you to fix it.

And then specifically the simulations. One of the things we saw in that same West Coast trip—this is the perfect example of the private industry and some of our largest companies have invested tens of billions of dollars into simulation tools and software. The United States Army should not be in the business of trying to compete with that. We should be taking what exists and figuring out how does this help soldiers. And so what we are trying to do is

work hand in hand with those companies to say—they have created these new metaverses. How do we train there?

Mr. DIAZ-BALART. Thank you, Mr. Chairman.

Mr. CALVERT. Thank you.

Mr. Ellzey.

TILT ROTOR TECHNOLOGIES

Mr. ELLZEY. Thank you, Mr. Chairman.

Thank you all for being here.

Secretary Driscoll, I just want to point out that I don't know how you are doing what you are doing. I know you are the ATF chief acting right now. Your wife works. You have got two small children. And I appreciate what you are doing.

I would also like to point out that, in 1981, Ronald Reagan appointed a then-38-year-old John Lehman to transform the Navy into a 600-ship Navy, and I think you are the perfect guy based on your background, your history, and your service to transform the Army, in collaboration with the chief of staff, in a way that we haven't seen before, and you are the right guy at the right time.

And, of course, General George, your service—I think you are as transformative as General Berger in the Marine Corps, and what you are doing right now is absolutely the right thing to do.

You know, we have talked about emerging technologies, DIU, your collaboration with those kinds of groups, and getting out of our own way at the Pentagon. As I often say, the Pentagon should be turned into a triangle at least. We need to lock a whole bunch of those doors and send a lot of people out to the fleet and out into the field again to get back to fighting instead of getting in our way.

The rice bowl that is the Pentagon is not the problem of the contractors or the chiefs of staff or the COCOMs. It is the mid-level folks that are there that have been doing it for 20 years whose job security relies on having something bad to say about a program that is being built, which is why the Army has canceled so many programs in the past because what started out as a good idea got too big and too heavy and too expensive until it dies under its own weight. So I want to help you guys do what you are needing to do.

And I would like to point out, as we transition to the fight in the Pacific—which is what everybody here believes is the next fight, which is what the President believes, the SECDEF believes. He has issued memos to say transition to the Pacific. A vast sea space run by the INDOPACOM and my friend, "Pappy" Paparo. It is not a small place. You can't get there at 130 knots. You can't get there at 130 knots.

So the Marine Corps, in order to get to the fight, needs to get to the V–22. By the way, the mishap rate is less than that of the H–53, the AV–8B, and the F–18. That doesn't prevent people from talking bad about it and saying it is a troubled program. It is mature, and it is ready to go.

The Army is not going to get in the fight unless they have the FLRAA. The Air Force isn't going to get to the fight until they have the F–47. And the Navy is not going to be in the fight appropriately until it has the F/A–XX.

So I want to ask you, General. Do you feel good about tilt rotor technologies that are mature enough for you to take the FLRAA on and into battle? Future Long-Range Attack Aircraft.

General GEORGE. I do, Congressman. And I think we both said this upfront, is I think that is a much-needed system inside the Army. I think that it is, you know, 350 miles an hour, a 350-mile range. That is a significant difference. It can be optimally manned, which means it could also fly autonomously. You can put—you know, connect that with drones. There is a lot of things that you can do with that system.

We could use it around the world not just—and I think it is critically important in the INDOPACOM, and I think that this is also something that SOCOM is going to want to be able to use. So I think all the services would use that. So we want to get it moving as fast as possible.

Secretary DRISCOLL. And, Congressman, with FLRAA, we met with the company that built it last week. And what we wanted to partner with and task them with is spend this week and create a plan and tell us, "How do you push it forward by years, and then what do we, the Army, need to do to help you?"

And so one of the things, when we talked to Deputy Secretary of Defense Feinberg that he and we have gotten so excited about is we do not intend to sit back passively as they begin this manufacturing process. If you think about what had helped us during our World Wars is we put soldiers in factories, and we intend with FLRAA—we are going to be a part of the process, and we are going to be cutting through the red tape and doing our part as the United States Army to push it forward and get it in the hands of soldiers.

TECHNOLOGIES ON THE FIELD FASTER

Mr. ELLZEY. Thank you. Well, I think Defense Department-wide, we see a bunch of folks at the Pentagon who are getting in the way. From my service, NAVAIR and NAVSEA. NAVSEA has gotten in the way of an LSM that is going to allow the Marines to fight, and it has gone to 10 times as expensive and 5 years away from being produced when we can get it right off the line—off the shelf, so to speak—out of plants in Mississippi or shipyards in Mississippi. We have NAVAIR getting in the way of your program at FLRAA as well as making some mistakes with V–22.

So I think we are all united. And the folks in the Pentagon who are preventing you from helping the COCOMs man, train, and equip their troops need to be very fearful about their jobs in the future because we won World War II without NAVAIR, NAVSEA, without the minions, and it is time to get back to that so we are more responsive to the warfighter and the COCOMs and get these exquisite technologies on the field faster.

So thank you all for being here. I yield back.

FLRAA PRODUCTION

Mr. CALVERT. I loved the question, Mr. Ellzey, on the FLRAA.

How quickly do you think you can get FLRAA at full production, and what would you define as full production? How many units a year?

Secretary DRISCOLL. Chairman, I will take the first half and give it to General George. We owe you followup to this. We originally were intending to put it into our ATI document that came out. We don't feel like we are in a position quite yet to answer this question, but we are—we think within a matter of weeks we will have a very clear plan that we can come pitch you as a committee or a subcommittee that you can help us look at and be able to react to.

General GEORGE. I mean, I would just—and SECARMY said this—I think we are broadly moving this up, you know, several years. Like, you know, into the 2028 timeframe is what we are looking at. We are just figuring out what we can do by working with him on how we can pull it as far left.

What we have also talked about doing is getting some initial systems inside of our formations. That is what we are trying to do right now. You get feedback directly. You know, what are the things that we need to do differently? So we will come back and follow up with you in detail.

Mr. CALVERT. I thank the gentlemen.

Ms. DeLauro.

BLACK HAWK

Ms. DELAURO. Thank you very much, Mr. Chairman and Ranking Member and my colleagues. I apologize. It is a day filled with hearings. There are five of them, and this is three, so—but I really wanted to be here today.

Let me just say, first of all, I represent the Third District of Connecticut, and Connecticut has historically been known as the arsenal of democracy. So these are issues that are very critically important to me.

We make the finest aircraft in the world, including the Black Hawk, which is manufactured at Sikorsky in Stratford, Connecticut, which I represent. You know, you all know this. It is the Army's vertical platform par excellence. Versatility, safety, effectiveness. Our soldiers know it. Wherever I travel—overseas, et cetera—I always ask about the Black Hawk, and our servicepeople, our soldiers, sing its praises. So, because of this, the Black Hawk will play an integral role in Army aviation operations for decades to come.

Secretary Driscoll, does this assessment of the Black Hawk's capabilities and importance sound right to you?

Secretary DRISCOLL. Congresswoman, directionally, yes, with the disclaimer being, again, if we look at all of our platforms and all of our systems, the right mixture of what we need in the future, we are learning these lessons daily and want to share them with you, your office, and this subcommittee. And so the problem with an all Black Hawk formation would be it cannot go far enough and fast enough to survive in some parts of the world like INDOPACOM, like your colleague referenced. And so we do think that, for the next sizable portion of time, the Black Hawk will be part of the mix, though.

Ms. DELAURO. Well, I just want to be sure that you are talking about—a key piece of the puzzle is the Black Hawk for the future of the Army given that it has a cumulative 5 million combat hours, flown critical missions in diverse theaters and conditions. I think

it is a critical tool, and I hope you agree with me that that is the case with the Black Hawk.

Secretary DRISCOLL. I agree.

Ms. DELAURO. Okay. So you noted in your testimony that the Army must remain agile, able to adapt to new challenges. I agree with that. The Black Hawk is adaptable not just in the field but technologically as well with Army and industry having recognized the need to modernize key systems on the Black Hawk to ensure that it continues to work for the future, and I have had many conversations all in the affirmative of making sure that the modernization of the Black Hawk continues.

I would like to hear more about your forward-looking vision for the Black Hawk. How will the Black Hawk's utilization change and grow in the coming years? How does the Black Hawk factor into the Army's new Transformation Initiative?

Secretary DRISCOLL. Congresswoman, I appreciate that your constituency involves Black Hawk, and the Americans who have made it our constituency is the American soldier and the taxpayer whose dollars will be spent——

Ms. DELAURO. Let me just interrupt for one second. It is not just a constituency issue here, though it is very—it is. It is about the Black Hawk and what it has meant to the safety of our soldiers and the national security of this country. That is my primary goal in addressing this issue. This is not just willy-nilly a constituent question. This is overall the national security of this Nation and the role and, quite frankly, the promise of a modernization of the Black Hawk and that it will be a major piece going forward.

So I am sorry to interrupt you. So, please, you know, continue.

General GEORGE. I will comment a little bit.

Ms. DELAURO. Please.

General GEORGE. I have been, you know, in the Army for close to 40 years. I have been flying on Black Hawks. I have got a lot of hours on the Black Hawk. It is a great aircraft.

I think that what—right now what we want to do is—actually, we are going to take some of the older Black Hawks out of our formations. The Lima and Victor models, we have updated to the Mike model. We continue to upgrade. We have to upgrade all of our aviation to make sure that they can defend themselves, understand threats. So those kinds of things will continue to happen. I think the Secretary said we are going to continue to have Black Hawks.

I will tell you that what we are looking—there are ways that you can build—like, for example, I do think—I see drones in the future being able to pick up and actually move artillery tubes. We have done that with Black Hawks in the past, and I have been on artillery raids with those.

So I think that there are other things that are going to change on the battlefield. I see Black Hawks are going to be with us for a while, but I do think we are going to have to adapt what we are doing. There just may just be less Black Hawks.

Ms. DELAURO. This is very, very troubling because the overall commitments and conversations with the Army over the last year, including when they weren't part of the modernization piece going forward, that the Black Hawk would be a singular—not singular in

that there is nothing else out there, but that that modernization of the Black Hawk and providing the multiyear contracts.

So I am going to ask you this question. But, again, very, very troubling as to your comments on—you know, not reassuring those of us who have had this commitment about where the Black Hawk stands in our national security and its modernization and the investment in that modernization for the future. And I can give you chapter and verse of conversations that I have had over the last year about the Black Hawk helicopter, but that gets to multiyear contracts.

General GEORGE. Congresswoman, I am not aware that we are making any adjustment to the Black Hawk contract. What I was basically describing you is how I see the battlefield evolving and how I would see us being able to do things. You were asking me, you know, future, and it is hard to predict. But we know we have autonomous systems that can do—that is what we were talking about.

Ms. DELAURO. That is troubling because folks who preceded you were very, very clear about the role of the Black Hawk going forward in the future. So, again, I will have a continued conversation about this.

But that gets me to—you know, the Army needs stability. Our workers need stability here. Multiyear contracts for the Black Hawk have been delivered. They generated significant savings for the government. Now, again, I am concerned that, if the current multiyear contract is allowed to expire in 2026 without any certainty around the next steps that the industrial base is not going to be able to pick up and move back.

So let me just ask you clearly about a multiyear contract to ensure that there is no gap in production that threatens our readiness.

General GEORGE. I mean, I wouldn't—I think we are going to have to come back and talk to you, Congresswoman. I am not sure I would, you know, make a commitment. I wouldn't make a commitment to say that we are going to build things—you know, the same thing forever. You know, we have to come back and look at that. Obviously, we will have a discussion on that.

Secretary DRISCOLL. And, Congresswoman——

Ms. DELAURO. I am asking you about the 2026 budget. Multiyear contracts.

Secretary DRISCOLL. I think we have—from what we have learned and what we have seen being around soldiers, I think we have had this conversation with many of our largest companies in the last week. We are unwilling to make commitments that aren't, in our opinion, in the best interest of soldiers and their lethality and keeping them safe if we deploy them anywhere in the world and to bring them home. And so we can follow up with your office, but right now, we can't answer that.

Ms. DELAURO. We are going to need to have a conversation offline.

Again, Mr. Chairman and Ranking Member, this is a very, very troubling conversation, and I will produce the background and information that I have been given about the future of the Black

Hawk for our national security and the modernization and investment in that modernization.

So I will yield back. I thank you for the opportunity to be here this morning.

And I will put it into the record, if I can, because I also head up the Aviation Subcommittee here with a colleague on this committee, Congressman Strong, and we need to have answers about that. But this is very, very troubling. And I will get back to you, but you need to get back to me. We need to have a serious conversation about going forward and what this budget will look like in 2026.

Thank you, Mr. Chair.

Mr. CALVERT. I thank the gentlelady.

Mr. Joyce.

INDUSTRIAL CAPACITY

Mr. JOYCE. Thank you, Mr. Chairman.

And, gentlemen, welcome.

Secretary, I want to follow up a little bit here with what my colleague had brought up before when you talk about things falling behind. I used to be the chair of Homeland. We needed icebreakers. And guess what? We produced maybe 1.2 a year while we need seven.

So I would ask this question. And I really truly appreciate your commitment to developing this next generation of combat vehicles. However, the thing that I am concerned about is that—the industrial capacity to build these things in the future. While you let go of some things and you move in one direction—you know, God forbid we get to war—we have to have the ability to do those—be able to produce the things that are necessary for our men and women to fight.

So does the Army have a strategic plan to ensure that we do not lose the critical workforce and combat vehicle industrial capacity as we develop this Army in the future?

Secretary DRISCOLL. Congressman, one of the things we are trying to do as an Army is—when we talk about demand signal, I think what we have not done a particularly strong job of is we, the Army, have stayed siloed oftentimes, and when we signal to our industry what we need and to allow them to spend the CapEx to build out the manufacturing facilities so they know they can get a return on those dollars and to train the workforce to have a happy, sustainable, expert workforce that innovates—all of that requires predictability, and we, the Army—partially based off how our funding works but partially just based off we have done a poor job in the past—can be better.

And one of the ways we can be better is by looking to our allies. And so what we have actively been doing is reaching out to NATO countries to say, "What do you want and need from the American industry?" How do we bundle that together with what we want and need? And so, even if we have inconsistent demand over time, we have a pretty good sense of what we will need in the medium and long term.

Those allies can smooth out that demand to allow that investment that we need because—to your point, Congressman, we think

if we get into a long, protracted conflict, it will be our ability to manufacture at scale that will be the Army's—one of its primary functions is to be able to deliver that to the fight. And so we are hyper-focused on it, and we think—what we dream of is that these changes that we are talking about today will unlock a renaissance in the industrial base so that small and medium businesses across America, venture-backed and not, can all thrive in the new environment.

Mr. JOYCE. Well, that is great. I know I had the pleasure of attending CODELs with our chairman throughout the world. He has always brought that to attention that allies help allies and we all need to work together.

It brings me to my next question. Given your emphasis on creating a competitive industrial base early on and the fact that you want to use the private sector to compete and help you to get to where you need to go and, early on in this hearing, your willingness to assess existing contracts for continuation based upon the impact to the mission, will you also assess past sole source contract awards to ensure that you are taking into account all competitive options and maximize your use of the industrial base?

Secretary DRISCOLL. Absolutely. We are trying to do a top-down review of everything we can and work with this subcommittee and the other bodies of government leadership to empower you with the information that we see. This is a collaborative process. Democracy works best when there is tension in all directions. That should give us the best outcomes. And so we are actively reviewing everything and look forward to sharing it with you.

ARMY CONTRACTS AND PROCUREMENT PROCESS

Mr. JOYCE. Great. Thank you.

General, could you please walk us through the process that you undergo—the Army undergoes when you are considering whether to pursue a competitive or a sole-source contract through the procurement process, and what criteria does the Service consider as part of this process?

General GEORGE. You know, I am trying to think of an example. You know, obviously, what we do on the military side is we describe the requirements and we talk about what we need. There is an acquisition executive that goes through and a contracting officer.

You know, the only thing I could think of is, if you need it for a short period of time and there was only, you know, somebody who could—you know, one person that could produce that and could meet the timeline—that that would do that. So I know there was an example of a 7-year. You know, I am not specifically aware of that. We can certainly come back to you on that.

Just broadly, what we have been talking about is we want competition. We want as many—it is why I keep coming back to—program of record is probably not, you know—you know, like, especially when you are talking drones and loitering munitions and all these things, you want as many people involved with the process as you possibly can because that is when, you know, American industry gets moving. And we have seen that with drones and a lot of the other systems, and that is where we need to be.

Mr. JOYCE. Do you have any suggestions for how the Army through their procurement and acquisition process—that will help drive this innovation and maintain America's competitive advantage of our adversaries?

General GEORGE. Yeah. I would just mention one thing that the Secretary and I—and, again, it gets back to, you know, the—his earlier comment on how we are structured. I think there is a lot of technology right now that you could adopt.

So does the program manager shop—does it need to be a bunch of people because it is dual use? It is stuff you can get right off the shelf, network, drones, things like that. There are other things that you can modify that is—we use the example of the infantry squad vehicle. GM Defense makes that. We make modifications to it to—you know, it is based on a Chevy Colorado. So that is modified, and then I think there are other ones that are developed.

So I just think we have to approach this a little bit different. Again, we haven't—those are things that we haven't done in a while, and it can't be one-size-fits-all in the current environment that we are in.

Secretary DRISCOLL. And, Congressman, when General George and I speak about these things with the leadership team, we try to bifurcate the Army as a business and the Army as a warfighting machine.

And one of the things we are most proud of that started well before my tenure is, if you look as an example at how we are doing recruiting and capturing the data of our future soldiers, the way we would have done it in the past is we would have said, "Here is our process: We need a software developer to go build us a specific thing, and then we need developers to keep it up and going." And it is our own proprietary thing, and it is expensive, and it is clunky. And that is how we have done it in the past.

What we have done with recruiting now is the command looked out at the best CRMs available on the marketplace. Then it took our Army process and rearranged it to match what was already in the market, and then we bought a software license like a medium- and large-sized business would do. And we have seen incredible results. It is a lot cheaper. It is a lot faster, and it is a better experience for the soldiers who are doing the recruiting and the incoming future soldiers. And what we are trying to do is take those Army-as-a-business functions and run them like a business.

Mr. JOYCE. I love that idea because the one thing you find around here is a lot of sole-source technology and IT contracts that the people burrowed in over the years. It doesn't mean we are getting the best, but it means somebody has got a good job for a long period of time. So I love the idea of the competition.

With that, I am well over past my time. Thank you very much, Mr. Chairman.

Mr. CALVERT. Thank you, Mr. Joyce.

Mr. Valadao.

MOBILE FORMATIONS

Mr. VALADAO. Thank you, Mr. Chairman.

Thank you, Secretary Driscoll and General George, for testifying before the committee today. Your leadership is vital to preparing our soldiers and meet the evolving needs of our warfighters.

The first question is, as the Army transitions infantry brigade combat teams to more mobile formations, how will you ensure soldier protections in that process, particularly as field infantry squad vehicles that offer significantly less armor than legacy platforms like the High Mobility Multipurpose Wheeled Vehicles and Joint Light Tactical Vehicles?

General GEORGE. So I think we are actually—you know, part of this—I used to make this argument when I would go to Afghanistan. So I went from Iraq to Afghanistan. Everybody told me you had to wear heavy body armor, groin protector, all these extra things that I was wearing. And, actually, it was, you know, very difficult to move. So I think every situation is going to be a little bit different.

What we are going to do in the Mobile Brigade Combat Teams, I think there is going to be one autonomous systems that are in there that can see out. That is both ground and air. So you can use those same autonomous systems. We were just out at Hunter National Training Center where there are actually autonomous systems, which you want to put in contact first, that can do breaching, change detection, that you can see as far as the Earth is being changed, that you can get with drones and using AI.

So I think there are different ways of doing it. Putting yourself in a complete shell—I mean, the problem with some of those vehicles, too, is they are not very mobile. They get stuck. When you get stuck, you are also a target. So I think it is a mix. And that is what we are looking at inside of our formations.

Last and most importantly is the feedback that we get from our troops that are actually doing this that are inside there. We are getting ready to go out to Joint Readiness Training Center. Here, actually, the brigade is doing their air assault tonight. It is our fourth rotation of this. We have adjusted this structure and will continue to do this. This is why we talk about continuous transformation. But I think we are on a good path.

Secretary DRISCOLL. And, Congressman, I would just say, back to the right balance, we don't know what it is, the trade-off between the security of extra armor versus speed. I think a lot of—it would be ideal or it would be smoother for our conversation to say there were these very binary outcomes of what we were optimizing for. We are not. But what we are trying to do is balance out what we have purchased for coin.

So, if you think of our purchases in the last 20 years, we have purchased or overpurchased a lot of equipment that now needs to be balanced out with new, more digital, faster things. And so our purchasing may look like it is a binary and we are going toward only faster, but we know that we already have a lot of this other equipment in our arsenal.

TRADEOFFS WITH ATI

Mr. VALADAO. Thank you. You stated the Army's transformation will be cost-neutral, relying on divestments and command streamlining, but are these tradeoffs sustainable over the long term, espe-

cially as new systems like drones, long-range fires, and cyber capabilities introduce their own lifecycle costs for training, sustainment, and modernization?

General GEORGE. I think, you know, we have this conversation almost daily about cost curve. I mean, that is what we are looking at, is what do we do, you know, to reduce costs.

A big part of this is, on a lot of these systems, they need to be modular and they need to be able to change things out. A lot of times, it is the software. So you have to—you know, we are going to have—we have to own our IP. We have to own, you know, the—it has to fit into our command-and-control systems. So, again, this is about how we buy things from the beginning so that we make sure we are reducing the cost on a lot of these things.

The drones that we have from the first rotation to our most recent one have gotten better, and they have also gotten cheaper. We are also building some of those things. So I think that there is a lot of areas and, you know, ways that we can keep costs down. And we do have to get in the habit of things we know don't work or we don't need—getting rid of—you know, getting rid of those as well.

Secretary DRISCOLL. And, Congressman, one of the other places we as the Army have been a bad customer—we have both been a bad customer oftentimes to who our suppliers are. We have also been a bad customer to ourselves. And so we have signed away our right in some instances to repair our equipment. And one of the things that Secretary of Defense Hegseth mandated to us in the memo that we are incredibly supportive of is we cannot allow outside parties to constrain our ability to repair our own equipment.

So, when General George and I were doing some of our tours and spending time with soldiers, you would see this exquisite piece of equipment that had been on the sideline for 9 to 12 months at a time, and we know how to 3–D print the part. The part costs between $2 and $20, and it was at scale. And so one of the other things we are trying to do with our current innovation and transformation is to start to take care of ourselves better and be more thoughtful about how to be stewards of the American taxpayers' dollars.

Mr. VALADAO. I appreciate that. And then how will the Army ensure that small businesses with innovative and readily available artificial intelligence tools can contribute to the Army's artificial intelligence ecosystem?

Secretary DRISCOLL. Artificial intelligence—and these models that are out there—these generative AI models are incredible. When I joined, I would have thought that there would be more places that we can start to use them.

I think today, as we sit here before you, we have a couple of places within our mostly Special Forces where they can apply some of that, but until we get this data layer that syncs our people and our things and our sensors and allow the information to be exchanged quickly, generative AI probably won't be showing up into the—kind of our formations in combat for at least a couple quarters, but we are very optimistic that, with the steps we are taking for command and control—that we might be able to come back next year and say generative AI models are transforming how we are thinking about targeting and all of these other functions of war.

Mr. VALADAO. My time has expired. So thank you very much.
Mr. CALVERT. I thank the gentleman.
Ms. McCollum.

WORKFORCE AND REDUCTIONS

Ms. MCCOLLUM. Thank you, Mr. Chair.

I do have a question for you and General at the end, but I am going to submit for the record to understand better what I have been reading about how and why you use nondisclosure agreements in the Army.

We want to just remind you we want a follow-up cost on the southwest border issue versus what you might be having to sacrifice for your role in China, Indo-Pacific. I am going to follow up also with a question on the Arctic. And I will be asking this of everyone: Workforce and the reductions and the way that that is transforming your discussions about taking 90,000 people out of Active Duty.

So it has been an interesting discussion today. But, gentlemen, I noticed when reading your testimony and even in some of the questions here, there are several changes that you are proposing for the Army, but the Congress needs to be involved in this. And this was not mentioned in your testimony, and I am sure it was not an oversight. You just assumed that we knew you were going to do that. But I think we need to hear from you that you are going to do that.

Because, in October of 2022, the Army announced the new transformation plan of Army, you know, 2030. And so now what is that looking like? Because your plan for 2030 was described as a budget-informed, multiyear plan prioritizing people and balancing warfighting readiness, aligning equipment, organizations, training, and evolving on threats by major competition, which is at the heart of what you have been talking about here today.

But, if you were going to shift to a model that empowered theaters and the Corps to work with other services and allies and partners and deliver logistic support. Yet we know that there was an—I am going to say unintentional—I don't assume the worst of people—an unintentional failure—a big one—to notify the Marine Corps what you were doing with one of your cancellations because it is part of a joint.

So you want to adjust the procurement process. We get that. You have asked for agile funding proposals. The 2024 baseline we are working off is a CR. We don't have the spend plan yet for 2025. We don't have the budget for 2026. You are talking about getting back to us as we are marking up. So there is a lot of work that needs to be done. So we are going to need a lot of information from you, justification documents for what you want to do. That needs to be communicated to the Hill and to us.

So, to kind of sum up, where does 2023 fit in with agile funding proposal? We want to hear how you are going to work with Congress, with this committee, the Senate committee, even—yes, even the authorizers, how you are going to be working with everyone because you might need authorization on some of this. So, if you could get back to us your communication plan as well as your spend plan, that would be greatly appreciated.

Mr. Chair, thank you for giving me the opportunity to ask that question.

GUEST INTRODUCTION

Mr. CALVERT. Thank you. I thank the gentlelady.

Mr. Cuellar, you have a special guest you want to introduce?

Mr. CUELLAR. Yes. Thank you, Mr. Chairman, Ranking Member. Thank you so much, members.

Mr. Secretary and General, I want to introduce a young man and his—he lives in Laredo. He lives less than a mile from the river. They are from Laredo. Santiago is here with his caranel (ph) and his mother, and if I could just introduce them. There is a very special story, but I will say it later. But I just want to have Santiago and his mother and his godmother stand up. He is a Congressman for the day; so he will be voting much better.

Thank you so much. Thank you, Chair.

Mr. CALVERT. Thank you. Thank you.

And I want to thank the Secretary and General George for your testimony today. Obviously, a lot of change is taking place. We want to work with you—we are all on the same team—and to make sure this transformation is done well.

And, with that, we are adjourned.

[Whereupon, at 12:02 p.m., the subcommittee was adjourned.]

The Honorable Ken Calvert
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Reliable partnerships between the U.S. Army Corps of Engineers (USACE) and the defense industrial base are essential to national security and the success of critical projects like the Next NGA West campus in St. Louis, which supports the National Geospatial-Intelligence Agency's mission. By maintaining USACE's reputation as a dependable partner, the Army can attract skilled contractors, reduce costs, and ensure project success.

However, USACE has not yet utilized available authorities to address cost overruns for key contractors on projects like Next NGA West, where unforeseen supply chain and economic challenges led to significant financial losses, despite contractors fulfilling national security obligations. Congress authorized relief for such disruptions via Sec 822 of the FY23 NDAA, and DoD has authority to reprogram existing funds, yet these challenges persist. This risks deterring qualified contractors, reducing competition, and increasing costs for future projects.

To that end, please provide a response addressing the following:

- How does ensuring USACE's reliability as a partner to the defense industrial base attract top contractors, reduce costs, and support national security objectives?
  Answer: USACE continues to engage the defense industrial base with a deliberate focus on partnering. Whether delivering statutory, directed, or assigned Civil Works, Military, Contingency Operations, or Interagency and International missions, USACE's success is contingent on the strength of the relationships built and sustained with stakeholders both inside and outside the federal government. This requires a deliberate focus on fostering an environment where strong business relationships are valued and prioritized across the project delivery life cycle as an essential investment that is afforded the appropriate amount of time, energy, and resources. Multiple tools and venues are utilized by USACE to ensure continuation as a reliable partner. These include early project lifecycle engagement with industry partners at conferences and events, hosting of regional and project specific industry days, pre-solicitation conferences, draft request for proposal posting and request for input. Senior leaders in USACE routinely engage with industry on broad issues such as market conditions, industry trends, and current and future USACE programs.

Partnering processes are a key element of USACE's project execution. It is a proven means of building and sustaining high-performing teams that are unified around a shared objective: successful project delivery. According to the International Partnering Institute (IPI) in 2024, one dollar invested in partnering results in $98 saved. Effective partnering not only leads to success for the current project delivery team but enables future success by focusing on the formulation of mutually beneficial long-term relationships and a culture of continuous improvement. Evidence to support the positive results of partnering has grown over the years. Research conducted by the Construction Industry Institute in the 1990s found that partnered projects reduced total project cost by 10 percent, reduced overall project duration by 20 percent, reduced lost-time accidents by 83 percent, reduced rework by 50 percent, reduced claims by 83 percent, and increased team member job satisfaction by 30 percent.

- Given DoD's authority to reprogram existing funds to implement Sec 822 of the FY23 NDAA, what steps is USACE taking to address cost overruns on firm fixed-price contracts like Next NGA West?
  Answer: USACE has taken steps to minimize the risk of inflationary impacts on other major construction projects since inflation was identified as a significant cost and risk factor. These are discussed in greater detail below.

- What is USACE doing to resolve the Next NGA West contracting situation to prevent it from deterring qualified contractors from future projects?
  Answer: USACE continues to explore innovative and strategic contracting methods and tools that result in win-win business relationships between the Government and contractors. USACE is on the leading edge of exploring alternative construction delivery methods that more closely mirror industry practices such as Progressive Design Build, Design Build to Budget, and Integrated Design and Construction within the authority, fiscal, and contractual limitations of federal construction procurements. These delivery methods allow for earlier contractor engagement than traditional design bid build contracting methods and lead to more innovative results, reduces risk to the government and contractors. Contractor engagement early in the project lifecycle establishes and enhances the partnerships between contractor and Government and leads to joint ownership of project outcomes. In addition to exploring innovative and alternative delivery methods, USACE has renewed a focus on using the right contract strategy for the right projects. Increased use of existing contract flexibilities such as Economic Price Adjustment mechanisms can help mitigate cost risk due to inflation but must be established prior to award of the contract.

  Proactive, routine, and transparent engagement with industry helps build trust and better anticipate and proactively mitigate potential project risks, including the transfer of risk from the design phase to the construction phase. It also helps optimize contractor bidding

pools and avoid unnecessary cost growth resulting from poorly defined bid packages, unknown or poor relationships, and unresolved issues that lead to costly claims and/or litigation.

The Honorable Betty McCollum
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

ATI – Cuts to programs

On cuts to the ***Joint*** Light Tactical Vehicle, I was disappointed to learn that the Army did not coordinate the announcement of the cancelation of the program with the Marine Corps. As this is a Joint program, I am curious why the Army took this unilateral action. Won't this increase the unit cost of this vehicle for the Marines? Please share with us the deliberative process used to make this decision.
Answer: The Army conducted detailed analysis and deliberately examined operational requirements to identify the necessary assets and divestments required as part of the Army Transformation Initiative, including the Joint Light Tactical Vehicle program. The Army commits to sharing those plans with Congress upon release of the FY26 budget request.

On the remaining programs to be ended, could you please share with the Committee the close out costs for each and if these costs will be covered under remaining FY 2025 funds?
Answer: The Army conducted detailed analysis and deliberately examined operational requirements to identify the necessary assets and divestments required as part of the Army Transformation Initiative. The Army commits to sharing those plans with Congress upon release of the FY26 budget request.

Finally, after the problems that arose when the Air Force announced that they were ending the A-10 program, how do you plan to work with Congress, industry, and impacted communities to ensure a soft landing for Army programs impacted by the Transformation Initiative?
Answer: The Army conducted detailed analysis and deliberately examined operational requirements to identify the necessary assets and divestments required as part of the Army Transformation Initiative. The Army commits to sharing those plans with Congress upon release of the FY26 budget request.

Question Two:

ATI – differences from Army 2030

Gentlemen, how is the Army Transformation Initiative, that you announced last week, different from Army 2030? Why is the Army 2030 plan no longer able to meet the needs of the Army?
Answer: The Army Transformation Initiative (ATI) builds upon the Army 2030 foundation by addressing the need to rapidly enhance the Army's lethality, integrate bottom-up technological solutions into our formations, and optimize Total Army force structure at the speed of warfare. ATI is a comprehensive plan for a more agile, integrated, and technologically advanced force, ensuring the Army remains dominant across all domains. This initiative fundamentally re-evaluates our strategic priorities to deter aggression and defend national interests in any environment.

Question Three:

Agile Funding

For the Agile Funding proposal, I want to hear how the Army will work with Congress to inform us on any proposed shifts in funding and equipment. We need to know what will differ from the information in the justification documents and how that will be communicated to the Hill. Could you please share that with us?
Answer: We appreciate your support of the Army's Agile Funding proposal which will enable us to be more responsive to the rapidly evolving battlefield tactics, emerging technology, and market opportunities. We provided examples of how the justification materials would change and committed to regularly scheduled updates to your committee staff. I commit to ensuring prompt and transparent updates quarterly.

Question Four (for General George):

Southwest Border

General George, could you please advise the Committee on how deployments to the Southern border will advance readiness levels for a possible conflict with China in the Pacific? What will the rotation of Army personnel be if the Administration requires deployments to the Southern border of this magnitude beyond September 30th?
Answer: Deployments to the Southern Border offer opportunities for commanders and leaders, at echelon, to exercise leadership, command and control, and gain valuable interagency experience– skills relevant to any conflict. The Southern Border also affords real-world experience with Unmanned Aircraft System (UAS) and Counter-UAS as well as communication and coordination of operations across vast territories.

Mr. Secretary, what is the planned budgetary cost for this deployment through September for Army units, and is the $1.1 billion moved from facilities maintenance and repair lines enough to cover the cost? If not, how do you propose to cover costs if the additional funds included in the reconciliation bill are not provided before September 30th?

Answer: Yes, I am confident at the current OPTEMPO the budget changes we made with FSRM funding lines will be sufficient to cover the operational requirement. The Army continuously reviews cost estimates to ensure adequate, timely, and sufficient funding is provided to our deployed forces.

Question Five (for Secretary Driscoll)

Workforce Impacts

Mr. Secretary, can you share with the Committee how many civilian personnel the Army expects to lose in the coming months under both rounds one and two of the deferred resignation and retirement programs?
Answer: The Army is anticipating approximately 15,000 participants total from both rounds of the deferred resignation and retirement programs.

And, you stated in your testimony that your expectation is for Non-Commissioned Officers to be in the field training, not completing administrative tasks. But if you are losing your civilian expertise, how will the Army complete reports, contracts and basic administrative tasks on time and properly - without using military personnel?
Answer: The Army has taken the opportunity to reduce overhead and eliminate redundant functions, merge organizations to leverage efficiencies, capitalize on artificial intelligence and machine learning, and automate workflows and processes to minimize the risks of personnel reductions. The Army is also realigning civilian talent to ensure sustained emphasis on the most critical skills and capabilities to ensure our warfighters can focus on being lethal and ready.

The Honorable Rosa DeLauro
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Last week, Secretary Hegseth announced the Army Transformation Initiative. The initiative seems to affect a broad swath of Army procedures and policies – from force structure to procurement.

In addition to having Sikorsky in my district, I am also the co-chair of the Army Aviation Caucus. I am particularly concerned about the Army's proposal in the initiative to cancel the Improved Turbine Engine Program (ITEP) – this is an important piece of ensuring the Black Hawk can continue to work for the Army in the future.

There has been very little information coming to Congress on this so far. I know it has only been a week, but I would hope the Army already has materials ready to justify Secretary Hegseth's decision.

Question: What will be the impact of the Transformation Initiative on Army Aviation writ large?
Answer: The Army Transformation Initiative (ATI) enables Army Aviation to become a leaner and more lethal force. Under the ATI, the Army will work within existing budgetary toplines to prioritize fielding war-winning capabilities to Soldiers. For Army Aviation, that means shifting from a primarily manned approach to a combination of unmanned and manned systems capable of providing the survivability, depth, and lethality required on the modern battlefield. Realigning force structure will allow for the proper manning, resourcing, and maintenance of a modernized, manned fleet while enabling the acceleration of future capabilities in aerial launched effects, group 3 and 4 unmanned aerial system (UAS), and the generational shift in capability with the Future Long-Range Assault Aircraft's (FLRAA) range and speed.

How will the Army ensure cancelling ITEP—if that is indeed the Army's plan—will not slow down the modernization of the Black Hawk?
Answer: Black Hawk modernization efforts are continuing as planned. The Black Hawk's targeted modernization strategy encompasses development of a Digital Backbone (DB) to implement the Modular Open Systems Approach (MOSA) into a digital engineering environment. This will enable the Army to develop and rapidly field software and components in a "plug and play" manner, breaking vendor lock and leveraging capability reuse with other platforms in the Army fleet. The Black Hawk is also undergoing airframe enhancements to

support Launched Effects (LE) systems which maintain the necessary edge of readiness, agility, and lethality required to support the modern warfighter on an ever-changing battlefield.

15. Can you commit to me that you and your team will respond to requests for information, briefings, and similar inquiries from me and my staff about this and other issues in a timely manner?
Answer: Yes.

The Honorable Harold Rogers
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

As the Army continues to modernize its force to operate in increasingly complex and contested environments, there is a clear emphasis on stealthier, more agile, and rapidly deployable systems. The need to integrate emerging technology to improve concealment and protect forces against multi-spectral sensor threats, and enemies targeting counter-UAS systems will be vital.

In your testimony, you both mentioned the importance of concealment from UAS and enemy sensors. As I'm sure you are aware, the Army had been procuring Ultra-Lightweight Camouflage Net Systems (ULCANS) at the unit level for quite some time now. Despite this technology's proven ability to make soldiers and equipment practically invisible to enemy sensors, the Army has been reluctant to centrally procure these systems.

- How is the Army leveraging Ultra-Lightweight Camouflage Net Systems (ULCANS) to enhance signature management and survivability across different operational environments?
  Answer: The Army has not designated the ULCANS as a centrally-funded piece of equipment or designated it for the Army Modified Tables of Organizational Equipment. Based on the commanders' assessments of their operational needs, the Army does authorize procurement of ULCANS through the Army Common Table of Allowance (CTA).

- Are current procurement levels sufficient to meet demand? If not, what specific shortages do you see and where can we help to ensure our Army is receiving the latest technology?
  Answer: Yes, current procurement levels are sufficient to meet demand. The Army has met its requirement to field Ultra-Lightweight Camouflage Net Systems (ULCANS) to deployed units. If any Army unit requires ULCANS to meet mission needs, units may order through the Army supply system using Operations and Maintenance Army (OMA) funds.

Question Two:

Last year, General Randy George testified that the Coyote system exemplified how industry can rapidly respond to operational needs—scaling up production and delivering a system that

performs effectively in theater against current threats. My understanding is that Coyotes are currently being produced at a rate of 1,200 per year, with capacity to increase if needed.

- Are there any other combat-proven systems currently available that can meet the Army's unfunded requirement in both the necessary quantity and timeline, while effectively addressing the same threats that the Coyote system is presently defeating?
  Answer: Currently, no single system replicates the Coyote's specific capabilities in both the required quantity and accelerated timeline necessary to address the immediate threat. Several systems demonstrate partial overlap in functionality, but often require significant modification, lengthy procurement processes, or lack the established production capacity at this time. We believe leveraging the existing Coyote production lines and ongoing technology adaptation represents the most efficient and effective path to rapidly fielding a critical capability. However, we continue to evaluate emerging technologies, but currently, Coyote provides the best near-term solution to meet this urgent need.

- Given the urgent operational need and time-sensitive nature of the threat environment, would it not be in the Army's best interest to procure a system that is already designated as a program of record, has a demonstrated track record of success, and possesses the capacity to scale production accordingly?
  Answer: The Army agrees that the threat environment is rapidly evolving. The Army intends to continue procurement of Coyote interceptors as part of the Army's Fixed Site-Low, Slow, Small Unmanned Aircraft System (UAS) Integrated Defeat System counter UAS program. As threats continue to rapidly evolve and increase in capability, developing the Next Generation Counter UAS missile (NGCM) allows the Army to pace the threat with greater performance than existing capabilities. Future interceptor procurements will be informed by the NGCM development timeline.

- What can you tell us about the Army's intention to procure Coyote at higher rates across the Future Years Defense Program to meet demand and leverage available production rates?
  Answer: The Army plans to sustain Coyote missile procurement throughout the Future Years Defense Program to address the growing threat of unmanned systems and evolving battlefield dynamics. Recognizing the need for both capacity and capability, we are simultaneously developing the Next Generation C-sUAS Missile to counter more advanced threats while ruthlessly pursuing AI-enabled sensing and lower-cost effectors (kinetic and non-kinetic) across all echelons of the force. This strategy emphasizes a distributed network of sensors and shooters, providing formations with a wider range of options for situational awareness and response. We intend to procure capabilities in tranches, driving down costs and ensuring adherence to common interface standards for interoperability across the Army. This balanced approach will deliver a scalable and adaptable force capable of addressing a broader spectrum of threats and enhancing overall mission effectiveness.

The Honorable Robert Aderholt
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

The recent memo titled 'Army Transformation and Acquisition Reform' suggested suspending the ITEP modernization efforts for both Apache and Black Hawk. What do you anticipate will be the long-term (5-10 year) impact on operations & management (O&M) costs to sustain these platforms absent a new engine?
Answer: Suspending the ITEP modernization efforts for both Apache and Black Hawk would have no anticipated impact on Operation & Maintenance (O&M) of the platforms. The current T-700 series engine is a CLASS IX reparable sub-component currently in sustainment. Army's final determination of future fleet sizes for Apache and Black Hawk would lend towards determining the expected sustainment costs of these platforms in the future.

Question Two:

Given the changes to several rotary wing programs, do you anticipate any changes or future investment into the Army's degraded visual environment – aka DVE – capabilities for Army Aviation to improve its capabilities across the fleet?
Answer: Investment in the Army's Degraded Visual Environment (DVE) capabilities will remain a priority for Army Aviation's fleet, including in the MV-75 Future Long Range Assault Aircraft. The Army is actively maturing and adapting DVE technologies for future integration, recognizing its critical need to operate effectively in challenging visual conditions.

Question Three:

Two years ago, the Army cancelled the Future Attack Reconnaissance Aircraft (FARA). The replacement capability for tactical reconnaissance was the Future Tactical Uncrewed Aircraft System (FTUAS), intended to also replace the retiring RQ-7 Shadow which has left an immediate capability gap for the warfighter. If FTUAS is also cancelled, what specific platforms would meet those reconnaissance requirements and the gap left by RQ-7 Shadow, respectively?
Answer: In an effort to accelerate capability, the Army will prioritize the Directed Requirement (DR) for Transformation in Contact Brigade (BDE) Level Unmanned Aircraft Systems as an interim solution. The DR provides a phased procurement approach to allow the Army to continue fielding advanced capabilities at the BDE level. The Army will continue to balance manned and unmanned platforms providing overlapping coverage to mitigate the tactical reconnaissance gap.

Question Four:

Are you taking electronic warfare (EW) threats into account as you define tactical SATCOM ground terminal solutions? Specifically:

- Will your tactical SATCOM solutions be on-the-move AND use multiple satellite constellations of different types OR are you relying on a single provider?
  Answer: In order to provide flexible and resilient transport to enable data at the point of need, the Army will continue to look for diversity throughout the entire space segment. We will provide high throughput, low latency communications through low earth orbit and medium earth orbit terminals to complement geosynchronous earth orbit terminal communications. To accomplish this the Army will coordinate across the provider space to ensure the necessary satellite communication capacity our formations require are met. At this time, the ability to provide on-the-move (OTM) communications with multi-constellation/orbit solutions continues to be tested with the Next Generation Tactical Terminal (NGTT), the Army's hybrid SATCOM terminal program.

- Can your solution leverage both military and commercial satellite constellations?
  Answer: The Army will provide multiple satellite transport options at echelon to enhance warfighter Primary, Alternate, Contingency, and Emergency (PACE) plans, which will include a mix of commercial and government-owned spectrum. The Army supports the development of further commercial technologies that enable hardware consolidation of Low Earth Orbit, Medium Earth Orbit and Geostationary Orbit communications from multiple commercial providers, further enhancing our resilience and adaptability in a contested environment.

The Honorable John Carter
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Last week the Army's involvement with DIU ANPI was paused. Congress is supportive of open competition with commercial developers. Can you explain why this program was paused? Can you assure us that you are not eliminating competition for defense programs?
Answer: The pause is to allow new leadership to better understand the Army's ANPI program, provide guidance, and ensure our program supports the administration's agenda – including ensuring alignment to the recently released Executive Orders on nuclear power. The Army's goal remains to secure advanced nuclear power to provide energy reliability/resiliency for critical missions and surrounding communities. We are committed to accomplishing this goal through a rigorous review process that maximizes industry competition and delivers the best possible nuclear power solution.

It is my impression that the Army has been the leading partner for the Defense Innovation Unit's Advanced Nuclear Power for Installations project. I also believe USSOCOM Commander Fenton has requested reactors for SOTF at Fort Bragg. Despite the Army leadership and demand from a crucial CoCom, the Army has paused its participation in the program, thereby stalling progress toward critical energy resilience for our warfighters. Can you explain this delay?
Answer: The Army's pausing its involvement in ANPI to accelerate nuclear power at Army installations, not to slow it down. The Army is looking to bring resilient nuclear energy to our installations at an earlier date. The Army remains committed to supporting the Army and Joint Force's energy requirements—including U.S. Special Operations Command's energy requirements at Fort Bragg and other installations with Power Projection Platforms and Mission Assurance sites. The Army's goal remains to secure advanced nuclear to provide energy reliability and resiliency for critical missions and surrounding communities.

As I understand it, the Eielson and DIU ANPI programs are scheduled to operate nuclear microreactors in CONUS by 2028. What are the necessary steps to deploy these same reactors to remote forward-deployed positions for our warfighters? Is there anything Congress can do to help?
Answer: We appreciate Congress's attention and support for the Army's advaenced nuclear power development initiatives. The Department of the Air Force is the lead for the Eielson microreactor power plant project so the Army defers response to the Air Force on that project. With ANPI, Army is looking to site one or more fixed-facility contractor-owned, contractor-

operated microreactors on a domestic installation by 2030. The Army's analysis indicates that siting microreactor technologies on our domestic installations is a necessary first step towards achieving the objective of successfully operating advanced reactors and being able to assess how advanced reactors can best support mission readiness. We continue to evaluate mission requirements, along with policy and legal considerations associated with siting microreactors in OCONUS locations.

Question Two:

We are coming up on celebrating the Army's 250th birthday this June. In the Army's history, there has never been a war when we haven't had boots on the ground – soldiers willing to defend our nation and our principles with their lives. Congress must ensure their safety and success, and I am more than proud to represent Fort Cavazos and the men and women of the 1st Calvary Division.

I read the Army Transformation Initiative document and have questions about the future of Army Aviation and the lethality of the force. I am well aware of the capabilities of the Apaches based at Fort Cavazos – they meet the needs of the current and future Army with manned-unmanned teaming, launched effects, drone detection, and I feel safer with our soldiers on the ground having an Army pilot overhead.

Secretary Driscoll, with no FARA and an end to Apache production, the industrial base won't be there to sustain the current fleet and the Army will face significant obsolescence and readiness issues. Are you comfortable with reducing and ultimately phasing out attack capabilities – and what brought you to this decision?
Answer: The Army is divesting AH-64D model Apaches, which are expensive to fly and maintain, in order to focus limited resources on autonomy and emerging technologies that are lower cost and can complement the existing and most modernized fleet of AH-64E model Apache aircraft. The Army will continue to provide the Soldier on the ground and the Joint Force with unmatched aviation attack capabilities by increasingly incorporating unmanned systems integrated with manned platforms like the Apache. The Army remains committed to working with our Aviation industrial base to continue to provide the very best possible capability to our warfighters.

Do we have unmanned systems, survivable against near-peer electronic warfare capabilities, that can protect our soldiers on the ground?
Answer: We have multiple capabilities to protect our Soldiers, and we are finding nothing is fully impervious to electronic warfare capabilities. As the conflict in Ukraine has exemplified, all UAS are susceptible to near-peer electronic warfare capabilities. By divesting of programs of record and investing in more agile acquisition programs, the Army can acquire multiple systems at the "speed of need", and continuously discover the latest technologies through commercial off the shelf UAS, making it more difficult for the enemy to counter our systems.

While we prepare for the fight in the Indo-Pacific, are we sacrificing our ability to fight and win in other regions across the world?

Answer: The clarity and renewed focus from the Administration on the pacing threat has given us the necessary impetus to make needed prioritization decisions across the Army. The Army Transformation Initiative will increase our lethality and responsiveness, enabling the Army to fight as a key component of a Joint Force in any theater and against any threat. To achieve this transformation, we must share the burden of collective defense with our Allies, prioritize resourcing on the most capable platforms, formations, and programs, and exercise strategic discipline in the employment of the force.

Question Three:

With the continued proliferation of the UAS threat to our force, the Army PEO Missiles and Space has placed priority emphasis on the need to defeat Group 3 UAS threats at longer range. The Next Generation Counter-Unmanned Aerial System (c-UAS) Missile (NGCM) is intended as a complementary capability to the current Army Program of Record for Counter-UAS, LIDS with the Coyote System, and will provide an additional layer of air defense capability against the fast-evolving UAS threat.

What are the priority requirements for NGCM identified by the Air and Missile Defense Cross Functional Team? Are launcher compatibility and single soldier lift requirements being factored into the design of this program? I understand that both were identified by the AMD Cross Functional Team as key concerns.

Answer: One of the Air and Missile Defense Cross Function Team's (AMD CFT) identified priority threats to Next Generation C-sUAS Missile (NGCM) are the evolving advanced Group 2-3 small UAS. The NGCM must have the capability to defeat the pacing threat at higher speeds and varying attitude. The NGCM critical capabilities include intercept range/altitude, missile reload, and launcher integration.

Launcher compatibility is a requirement for the NGCM program to avoid changing launchers and other C-sUAS architecture. Soldier reload is a requirement for NGCM since development initiation. These requirements have been included in both competitors' designs.

The Honorable Mario Diaz-Balart
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Per FAR Part 10.001, agencies shall conduct market research appropriate to the circumstances. Based on historical body armor programs, such as the competitively awarded SPE1C1-20-D-1254 contract on 4 May 2020, there have been a minimum of five viable vendors for production of body armor.

- What criteria, based on market research conducted, concluded that only two viable vendors were competitive for selection?
  Answer: The determination of which contractors to consider for award was based on market research that was conducted in accordance with Federal Acquisition Regulation Part 10. The Army issued a Special Notice Request for Information (RFI) to conduct market research during the period from July 9, 2024 – July 30, 2024. A total of nine vendors initially responded to the RFI and requested access to the controlled Purchase Description document. The Government received and evaluated eight responses from the RFI notice. The responses to this RFI were used by the Government to assess the current production capabilities and capacity of each manufacturer.

  The Government assessed that the two awardees provided sufficient data to verify capability to manufacture the product within the required schedule and were considered low program risk for producing the LSAPI.

- Was a market research report generated in support of this conclusion?
  Answer: Yes, a market research report was generated in support of this conclusion.

Question Two:

Will the Army commit to conducting a review of long duration, 5+ year, sole source contracts for continued validity in 2025 given Secretary Driscoll's emphasis on growing the U.S. Industrial base?
Answer: Yes. The Army Transformation Initiative focuses on reforming contracting processes to improve efficiency and grow the Defense Industrial Base. We are looking to implement more performance-based contracting with a focus on quality and outcomes achieved, and expanded

use of other transaction authority to leverage innovation within the non-traditional industrial base. We are also undertaking a holistic review of all Army contracts to reduce, eliminate, or consolidate duplicative procurements; and understand where we can shift buying strategies to achieve greater buying power and grow the industrial base.

Question Three:

How are you going to ensure that the modeling, simulation, and training (MS&T) efforts under PEO STRI will continue if the PEO is reduced or eliminated? Especially given that PEO STRI is currently co-located with the National Center for Simulation, providing a continuous flow of innovation from this MS&T industry and academia hub to the Army. Can you outline intended changes?

Answer: The Army is currently evaluating all aspects of its existing organizational structure to ensure best alignment with warfighting functions. At this time, PEO STRI continues to provide the delivery and innovation for next generation training and simulation systems. The Army is committed to continuing dialogue with Congress as it aligns to the Interim National Defense Strategic Guidance and the priorities of the Administration.

The Honorable Dave Joyce
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army

Question One:

Sole Source Contracts / Body Armor Procurement Process

According to FAR Part 10.001, agencies are required to conduct market research appropriate to the circumstances for procurement processes. Based on historical body armor programs, such as the competitively awarded SPE1C1-20-D-1254 contract on 4 May 2020, there have been a minimum of five viable vendors for the production of body armor. What criteria, based on market research conducted, concluded that only two viable vendors were competitive for selection for the Army's Vital Torso Protection program contract announced 14 March 2025? Was a market research report generated in support of this conclusion?
Answer: The determination of which contractors to consider for award was based on market research that was conducted in accordance with FAR Part 10. The Army issued a Special Notice Request for Information (RFI), to conduct market research during the period from July 9, 2024 – July 30, 2024. A total of nine vendors initially responded to the RFI and requested access to the controlled Purchase Description document. The Government received and evaluated eight responses from the RFI notice. The responses to this RFI were used by the Government to assess the current production capabilities and capacity of each manufacturer.

The Government assessed that the two awardees provided sufficient data to verify capability to manufacture the product within the required schedule and were considered viable competitors at a low program risk for producing the LSAPI.

Question Two:

Army Sole Source Contracts

Will the Army commit to conducting a review of long-duration, 5+ year, sole source contracts for continued validity in 2025 given your emphasis on growing the U.S. Industrial base?
Answer: Yes. The Army Transformation Initiative focuses on reforming contracting processes to improve efficiency and grow the Defense Industrial Base. We are looking to implement more performance-based contracting with a focus on quality and outcomes achieved, and expanded use of other transaction authority to leverage innovation within the non-traditional industrial base. We are also undertaking a holistic review of all Army contracts to reduce, eliminate, or

consolidate duplicative procurements; and understand where we can shift buying strategies to achieve greater buying power and grow the industrial base.

Question Three:

Pre-positioned Stocks in Indo-Pacific

Secretary Hegseth's April 30th memo on "Army Transformation and Acquisition Reform" directs the Army to expand pre-positioned stocks of equipment in the Indo-Pacific. How will the expansion of pre-positioned stocks impact the Army's resource needs for FY26? Do you anticipate needing increased funding to meet these requirements?
Answer: The Army does anticipate an increase in funding to meet the requirements to expand Army Prepositioned Stocks (APS) in the Indo-Pacific.

Question Four:

Lower Tier Air and Missile Defense Sensor

The Lower Tier Air and Missile Defense Sensor is the current program of record for the Army's next-generation air and missile defense radar. Last year's FYDP showed the Army planned to procure 5 sensors in FY26, 5 in FY27, and 8 in FY28. Is it advantageous to maintain this schedule? Would accelerating production be advantageous to meet the demand faced by Patriot Air Defense Battalions and support the Administration's Golden Dome objectives?
Answer: The Army recognizes the critical importance of the Lower Tier Air and Missile Defense Sensor to modernize our air defense capabilities and support both Patriot Battalions and the Administration's Golden Dome objectives. While the current FYDP procurement schedule remains viable, we have capacity to increase production and are actively working with the supply chain to be prepared to accelerate production beyond these numbers. Accelerating LTAMDS production would directly address the demand from Patriot units and capitalize on potential economy of scale cost savings, enhancing our overall defense posture. We are committed to responsibly balancing accelerated procurement with maintaining program quality and mitigating potential supply chain risks.

The Honorable Chuck Fleischmann
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Army's Role in Future Logistics

The Department of the Army's fleet of landing craft, logistics support vessels, and utility vessels plays a significant role in the military logistics ecosystem.

Over the past two decades, these vessels have played a critical, low-visibility role in USCENTCOM, fulfilling logistics, sustainment, and engineering missions.

As we shift our focus toward the Pacific, the Joint Force will depend even more heavily on the Army's watercraft fleet. As the Joint Force prudently implements a dispersed and agile operational posture across the Western Pacific, the logistics burden is only going to increase further. In the event of a war with the PRC, US forces will be operating in a truly contested environment extending hundreds of miles for the first time since World War II.

Question: What is the department's assessment on the health of the Army's logistics fleet and ability to sustain a war in the Pacific? What is the department prioritizing to improve their capabilities?
Answer: To continue pacing the Pacific theater's throughput requirements, the Army is pursuing a mixed watercraft fleet strategy that may include Government Operated vessels and contracted solutions, based on the mission and threat environment. For example, Contractor Owned/Contractor Operated vessels are being tested in U.S. Indo-Pacific Command to validate their capabilities and determine necessary modifications for future enhancements and mixed fleet options. Additionally, expanding sustainment maintenance capabilities forward provides maximum flexibility to combatant commanders. The Army is also improving its existing fleet by prioritizing and resourcing sustainment maintenance funding to substantially improve operational readiness in the next 24 months.

Question Two:

Air-Defense Systems

Over the past three years, we have seen major demand for Patriot batteries in both the Middle East and Ukraine, which has required difficult tradeoffs in capabilities across theaters.

In the past week, it's come to light that we are transferring a Patriot air-defense system that was based in Israel to Ukraine. One more may be arriving from Germany or Greece, increasing Ukraine's Patriot battery total to 10. While last month, US forces transferred a battery from USINDOPACOM to USCENTCOM.

In Ukraine, Russia has begun to effectively counter Patriot batteries by overwhelming the systems with drones and missiles simultaneously.

The mass deployment of drones and advances in precision munitions have dramatically increased the demands and challenges for air defense.

The Ukrainians and Israelis field a much wider and more expansive array of air defense systems.

The Army has long accepted risk in operational and tactical air defense below Patriot and above point defense systems like Stinger. We have only increased this risk calculus since the Cold War as we've retired Hawk and the few remaining gun systems.

Question: What does the Army need to prioritize air defense in the immediate to near term? How does the department balance increasing their inventory of current technology and funding the research and development of future air defense systems? Are there legacy systems that we should be looking to quickly bring back into inventory?
Answer: The Army is prioritizing the development of a layered air and missile defense to address the rapidly evolving aerial threat – encompassing hypersonic weapons, cruise missiles, Rotary and Fixed Wing Aircraft and increasingly sophisticated drones. This layered defense includes the Integrated Fires Protection Capability for cruise missile defense, Maneuver-Short Range Air Defense (M-SHORAD) for countering rotary-wing and fixed-wing aircraft, as well as Group 3 Unmanned Aircraft Systems, and dedicated Counter-small Unmanned Aircraft System (C-sUAS) batteries to defeat smaller drones, all networked through the Integrated Battle Command System. To maintain a credible defense, our immediate resourcing priority is scaling production of M-SHORAD and C-sUAS to address the increasing proliferation of drone systems, and fully fund the critical Lower Tier Air and Missile Defense Sensor upgrade for the Patriot system. Concurrent modernization of the broader Patriot force is also essential, as it remains a cornerstone of our tiered and layered defense against ballistic and cruise missiles threats. This investment in a layered approach will ensure comprehensive protection across the full spectrum of aerial threats facing our deployed forces and our homeland.

Question Three:

Army Transformation Initiative

The Army Transformation Initiative outlines several obsolete programs the department is cutting and describes consolidating departments.

One of the initiative's lines of effort is to "deliver critical warfighting capabilities," where the department references introducing long-range missiles and modernized UAS into formations.

The initiative states that the department will restructure Army Aviation by reducing one Cavalry Squadron per Combat Aviation Brigade.

Question: What changed about the Army's requirements that led to this decision? Is this in response to what we have learned from the last few years of conflict in EUCOM and CENTCOM, or is this in response to threats in INDOPACOM?
Answer: The recent conflict in Ukraine has highlighted the requirement for low-cost, unmanned systems. The decision reflects the need to divest of AH-64D models which are expensive to fly and maintain in order to focus limited resources on autonomy, drone swarms, and emerging technologies that are lower cost and can complement the existing and most modernized fleet of cost-efficient AH-64E model Apache aircraft.

The Honorable Marcy Kaptur
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army
- General Randy George, Chief of Staff, United States Army

Question One:

Implementation of ATI:

Has the Army begun executing the major reform steps outlined in the letter for this fiscal year, such as personnel reductions, command consolidations, and procurement cancellations?
Answer: The Army is developing a comprehensive transformation strategy that will inform structure change, command consolidations, and acquisition approach that will enable the integration of emerging technology into formations.

Will the Army adhere to the FY25 enacted budget and continue funding for platforms listed in the ATI letter (e.g., HMMWV, AH-64D Apache, JLTV, Gray Eagle)?
Answer: The Army intends to use its FY25 budget to optimally fund its acquisition requirements and enable the Army to best meet the objectives outlined in the ATI letter.

Question Two:

Right to Repair Contracts:

Has the Army already canceled or declined to sign contracts that do not include provisions granting the service the "right to repair" its own equipment?
Answer: The Army is not aware of any contracts being declined or cancelled specifically due to 'right to repair.' The Army previously considered 'right to repair' as appropriate, however, we are actively working to implement solutions that empower our servicemembers to access those materials and intellectual property needed to maintain military equipment, thereby reducing sustainment costs and improving military readiness. We will work with our industry partners to ensure 'right to repair' provisions preserve the intellectual capital of the industrial base.

What is the Army's strategy if a vendor of a critical system refuses to agree to a "right to repair" clause?
Answer: Through the Army Transformation Initiative, we are working through those considerations as we strengthen our ability to evaluate and negotiate intellectual property and data rights. Our strategy and forthcoming policy will recognize the critical importance of in-house maintenance and repair for operational readiness and cost efficiency.

Question Three:

Supporting the Defense Industrial Base:

What considerations are being made to sustain production lines for key end items that the Army may still intend to procure in the future, despite near-term reductions in procurement quantities?
Answer: The Army plans to continue to monitor and adjust its current and future production needs to meet the requirements identified by the warfighter through both peace and wartime demands. The Army has a few ways to help stabilize the industrial base through changing demand signals such as the utilization of foreign military sales (FMS) to keep lines warm and we will also expect to have a demand for depot-level repairables (DLRs) from the commercial industrial base which will transition into the organic industrial base for continued sustainment.

What risks do abrupt program cancellations pose to the broader defense industrial base, particularly in terms of:

- The retention of skilled labor?
- The preservation of specialized manufacturing knowledge?
- The availability of critical materials and components?

Answer: In order to ensure that the Army is meeting future mission demands and in a constrained budget environment, the Army has to make some tough decisions, including moving away from certain programs. It is important to retain skilled labor and manufacturing, but it is also important to incentivize the workforce to also support new efforts as requirements change for the future fight. The Army, in concert with the Office of the Secretary of Defense, is continuing to explore ways to incentivize the onshoring of critical parts and materials as part of strengthening the defense industrial base.

Can you provide further clarity on how you plan to sustain the highly specialized and skilled workforce across our nation's combat vehicle industrial base that would be impacted by the cancellation or reduction in current procurement programs?
Answer: As part of the Army Transformation Initiative, the Army is also exploring ways with our industry partners to help best align the current workforce to support future needs. For example, with combat vehicles, the Army's plan is to emphasize the use of robotics and autonomy wherever viable, and the Army would ideally like to utilize the current workforce's skills to best inform and design our future fleets.

Question Four:

Modernization of Platforms:

How is the Army leveraging commercially available technologies in the automotive industry to retrofit existing platforms to make them safer, more effective, and more software-defined?
Answer: The Army leverages significant commercial capabilities across various platforms including engines, transmissions, safety equipment, vehicle control systems, and other components. One example is the procurement of the Infantry Squad Vehicle, which is the militarized version of the publicly available Chevrolet Colorado ZR2. The Army is also rapidly enhancing existing platforms by integrating readily available safety enhancement commercial technology such as Advanced Driver Assistance Systems (ADAS). The Tactical Vehicle Hybridization and Mobile Electric Generation for Austerity programs leverage commercial technology to reduce logistics risks and enable emerging, energy-demanding mobile weapon systems. Additionally, the Common Tactical Truck (CTT) program strategy leverages readily available commercial technology to enable a military-specific design solution.

Is the Army leveraging lessons and technologies available from companies like GM, Ford, and Jeep to modernize these platforms like the Abrams Tank and Bradley Fighting Vehicle? If so, can you provide examples?
Answer: The Army is working directly with major automotive manufacturers to assess the appropriate technology transfer of commercially available safety and hardware technology. For example, in the case of safety technology, Program Manager (PM) Abrams is investigating the transition of commercial automotive safety systems to include software algorithms applied to the tanks cameras and radars to provide collision warning to avoid vehicle and personnel collisions. Regarding commercial hardware transition potential, the program office has investigated commercial engines, cooling, controls, and electrical power systems as applied to a ground combat environment. The findings have been shared with industry with the intent of maximizing commercial automotive lessons learned from driver assistance technologies, vehicle sensors, safety software, and other modern capabilities that will reduce crew burden while operating the most lethal tank on the modern battlefield. The Abrams Tank has an open architecture that will allow for continuous modernization of the system as these technologies progress in the future.

The Honorable Ed Case
Appropriations Committee, Subcommittee for Defense
Questions for the Record
Oversight Hearing – The United States Army

Witness(s) being Asked (if Multiple):

- Honorable Daniel Driscoll, Secretary, Department of the Army

Question One:

Mr. Secretary, the Army has committed itself to accelerating and modernizing its acquisition processes. What elements of the innovative approaches used by the Defense Innovation Unit can be incorporated into the Army's reform efforts?
Answer: The Army leverages many of the same innovative approaches used by the Defense Innovation Unit to increase adoption of commercial technology to fulfill capability requirements. Other Transaction Authority via the Commercial Solution Openings process is one example of key innovative authorities used by the Army to reduce barriers for non-traditional defense contractors to do business with the Department. Additionally, in support of an Army Futures Command directed requirement based on lessons learned from Ukraine and the Middle East, the Army partnered with DIU on Company-Level UAS to accelerate from prototyping to initial deployment in six months. The Army Transformation Initiative will further expand the use of these tools to help broaden the defense industrial base, increase competition, and benefit from the rapid technological advancements in the commercial sector.

Question Two:

Mr. Secretary, the Army has stated that it will increase its forward presence in the Indo-Pacific by expanding pre-positioned stocks, rotational deployments and exercises with allies and partners. In many of these locations, such as the Philippines and Palau, the Army will not create a traditional base yet will have to build and maintain civilian-military relationships. However, many of the tools that help U.S. military installations engage with the local community won't exist in these locations. Does the Army have the authorities and funding needed to build and maintain community relationship in these countries?
Answer: The United States Army has authorities to engage with local communities, but only on a temporary basis during exercise periods. Outside of these windows, the Army does not have persistent authorities or forward-positioned personnel to engage on an enduring basis or react to emergent requirements.

The Army's future war plans and concepts will require combat positions, pre-positioned equipment, forward presence, storage facilities, and theater sustainment in locations dispersed across the Indo-Pacific. For example, Army forces will require distributed command and control capabilities, expeditionary munitions storage containers, and expanded exercises and rehearsals on key terrain across the Indo-Pacific.

In the Philippines, the Army leverages non-traditional civilian-military partnerships to establish a Joint Theater Distribution Center to support the pre-positioning of critical war materiel and supplies. This includes the pre-positioning of critical sustainment, medical, and engineering equipment sets. This capability reduces deployment of forces timelines, provides operational reach, endurance, and the commander with options. Providing ready and credible-combat capability forward builds joint interior lines and establishes a position of advantage on key terrain, positions mission-critical equipment closer to the point of use and matures access agreements with a strategic partner.

The United States and the Philippines maintain a long standing strategic bilateral partnership, backed by several bilateral agreements to include the Enhanced Defense Cooperation Agreement and the Visiting Forces Agreement, both of which are ministerial-approved agreements authorizing military activities in the Philippines. Throughout the year the United States Military and the Armed Forces of the Philippines also participate in a series of bilateral strategic dialogues that approve and authorize military activities for the follow-on calendar year. The National Guard continues to pursue opportunities to engage local communities through Reserve Officers Training Corps (ROTC) -like programs which are annually captured in the Agreed to Activities.

Like the Philippines, Palau provides critical access to key terrain essential to building joint interior lines and sustaining future Army war plans and concepts in the Indo-Pacific. The United States and the Republic of Palau enjoy a decades-long Compact of Free Association (COFA) agreement which sets forth the conditions of a free and voluntary association. Through the COFA, Palau provides the United States with access to its land and waterways for strategic purposes and the United States has full authority and responsibility for the security and defense of Palau as outlined in COFA Title III – Security and Defense Relations. The United States Army routinely conducts persistent and episodic engagements in Palau throughout the calendar year and participates in biannual Joint Committee Meetings (JCMs) which provide a venue for continued dialogue and approval for future Army activities. USARPAC deploys an Oceania Engagement Team (OET) to Palau to conduct community relations for up to ten months in a calendar year.

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PAMIR Report

Displays are the New Batteries

China's Growing Dominance of the Global Display Market and its Implications for Our Economy and National Security

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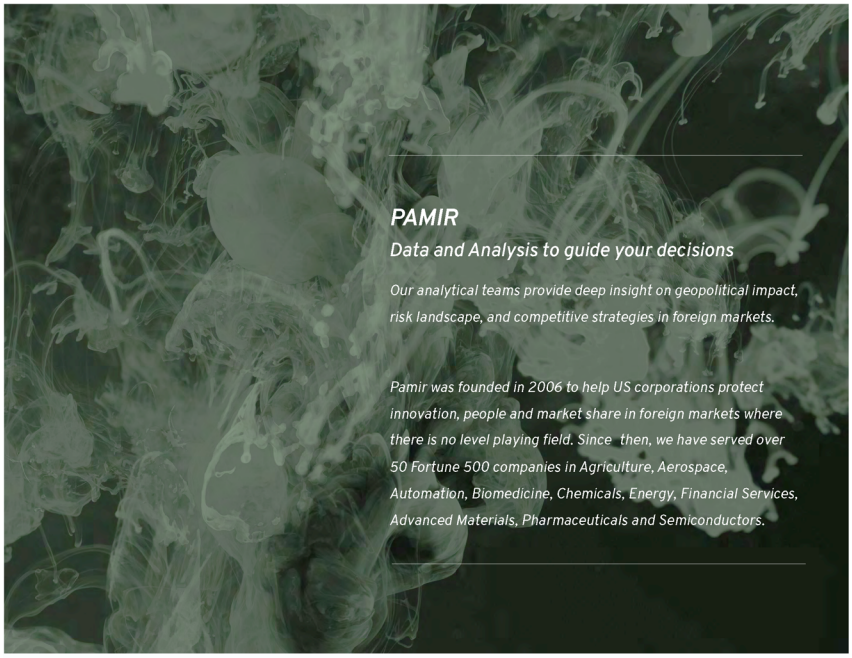

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Executive Summary

- Display technology is fundamental to our everyday lives. Although we commonly associate digital displays with civilian uses such as cell phones and televisions, they are better understood as a dual-use technology. Electronic displays are a component of countless sensitive national security technologies, ranging from control consoles in fighter aircraft and military communications devices to our critical national infrastructure.
- The display industry must be treated as an important part of a nation's defense industrial supply chain, akin to other more visibly dual-use industrial sectors such as batteries and semiconductors. Without an adequate supply of military-use displays, a nation does not have functioning weapons systems; with a supply of military-use displays that has been compromised by an adversary, a nation faces a supply chain threat to its national security.
- China recognizes the geostrategic importance of the display industry and has placed it on several official lists of nationally important technologies. The People's Republic of China (PRC) is attempting to dominate the global display market via state financial and regulatory support, including substantial subsidies for BOE Technology Group, its primary national champion, as well as for other major Chinese firms such as TCL, Tianma (a subsidiary of the state defense conglomerate Aviation Industry of Corporation of China, or AVIC), and Visionox. PRC subsidies in the display industry also include tax breaks, discounted access to capital, free or discounted land and utilities, and subsidies for hiring foreign talent.
- In addition, Chinese display makers have benefited from the PRC's rampant foreign IP theft. In July 2023, South Korea's Supreme Court found a dozen executives and employees of a key display industry subsidiary guilty of leaking core technological assets to BOE. In a separate case from July 2024, a South Korean engineer was sentenced to six years in a ROK prison for leaking $24.5 million worth of OLED technology secrets to China.[1] The US International Trade Commission (USITC) also announced it would investigate allegations that several Chinese electronics companies stole trade secrets related to OLED display technology from a Korean display company.[2] USITC identified eight Chinese respondents in the case so far, including BOE and several of its subsidiaries.
- The PRC's largest display makers are major participants in the People's Liberation Army's "Military-Civil Fusion" (MCF or 军民融合) efforts, whereby civilian industrial capacity is leveraged for dual-use purposes in exchange for subsidies and other special treatment. As display technology becomes increasingly central to military equipment, and overlaps in its production methods with other critical industrial sectors such as semiconductors, the role of Military-Civil Fusion in the display market continues to grow.[3] Reliance on China for displays presents a major supply chain threat to our national security.
- BOE, China's 'national champion' manufacturer of LCD and OLEDs for the global market, was spun off in 1993 from a state-owned military semiconductor enterprise. As a national champion designee, BOE remains deeply intertwined with the Chinese

Executive Summary

Communist Party (CCP) and its state and party institutions. BOE's single largest shareholder is a state-owned enterprise, and many members of BOE's executive leadership boast deep ties to the CCP.

- BOE makes no secret of its extensive connections to China's military-industrial complex and armed forces, with the company publicly highlighting their defense ties and military project work in the press. Among other things, they are involved in the development of military-use headgear and in a combat aircraft project.[4] BOE reportedly founded a "Military-Civil Fusion Industrial Park" in Mianyang, Sichuan Province in 2016. There is no question whether BOE participates in military-use technology development; the only question is precisely which BOE facilities have most directly been supporting the PLA.
- BOE also has a range of ties to China's repression of the Uyghurs in Xinjiang. BOE has collaborated with the Xinjiang Production and Construction Corps (XPCC) on recruitment; XPCC is a state-run paramilitary corporate conglomerate that has been sanctioned by the US for its role in human rights violations against the Uyghur population. From at least 2017 to 2020, a major supplier that manufactures components for BOE's flat panel displays reportedly sponsored the alleged forced transfer of 1,000 Uyghurs per year to its manufacturing facilities, an arrangement tantamount to modern slavery. As recently as 2019, the Australian Strategic Policy Institute (ASPI) included BOE in its list of companies that may be using Uyghur forced labor.
- BOE's participation in both China's military development and domestic repression necessitate a policy response from Congress and regulatory bodies in the interest of national security. Measures such as the Entity List, the US Trade Representative's Section 301, the Department of Defense's 1260H list, and Treasury's Office of Foreign Assets Control (OFAC) must all be considered.
- Displays are a strategically important technology, and the American public must understand there are legitimate and concrete dangers to excessive technological dependence on the PRC. These concerns range from the penetration and sabotage of critical infrastructure during a conflict, to the exploitation of supply chain vulnerabilities targeting our most advanced weapons platforms such as the F-35. As Israel's recent attack on Hezbollah's pagers confirm, such supply chain attacks can be deadly and powerful while differentiating sharply between the target opposition and nearby civilians. China's support for its display industry is thus a concern for American national, economic, and technological security.

Displays are the new batteries

Electronic displays have countless applications over numerous different industries, most notably in consumer electronics, and decades of use in televisions, computers, mobile phones, etc. has led to a globalized supply chain for displays worth nearly $200 billion that is dominated by a handful of leading companies. Contrary to popular misperceptions, however, displays have a wide range of both commercial and military applications.

Displays are frequently integrated as a component into sensitive national security technologies. On the modern information-driven battlefield, everything from control consoles in fighter aircraft to squad-level communications devices likely has a display of some kind attached to it. Far from being confined to consumer electronics, the display industry must be understood as an important part of a nation's defense industrial supply chain, akin to other more visibly dual-use technology industries such as batteries and semiconductors. Without an adequate supply of military-use displays, a nation does not have functioning weapons systems; with a supply of military-use displays that has been compromised by an adversary, a nation faces a threat to its national security.

Just as with batteries and semiconductors, the United States and its allies and partners must secure a guaranteed supply of displays that cannot be threatened by an adversary or compromised via supply chain infiltration. This fear is not merely a theoretical worst-case scenario.

Israel's recent and highly successful attack on the terrorist group Hezbollah's communications supply chain, wherein it simultaneously detonated the pagers and radios worn by a large percentage of Hezbollah's senior cadres, is an example of how supply chain infiltration can be leveraged in a conflict.

Enter China. The alarms sounded in this report as to US vulnerabilities are not news to the PRC's leadership, and they have leveraged our lack of attention to the display market to develop economic and military advantages. China is disrupting the economic balance of the global display market via major financial and regulatory support, including substantial subsidies for BOE, its primary national champion in the industry, as well as subsidies for other major Chinese firms such as TCL, Tianma (a subsidiary of the PRC defense conglomerate AVIC), and Visionox. In the national security realm, China is attempting to secure its own supply chain for military displays by involving BOE, Tianma, and many others in numerous Military-Civil Fusion (MCF) projects.

The two sides of this coin reinforce one another. Pushing major South Korean and Japanese competitors out of the display market via massive subsidies and stolen intellectual property strengthens China's national champions in the production of both civilian and military-use displays; at the same time, depriving the US of alternative sources of displays from allied nations increases our reliance on potentially hostile supply chains, which are at greater risk of penetration by China's intelligence services. Projects as significant as the F-35 fighter jet could be

catastrophically compromised in a conflict scenario by our reliance on component supply chains that are controlled by potential adversaries. Mitigating the PRC's strategic support for their domestic display industry is critical to America's national security.

Background: The Evolution of Display Technology

Modern displays utilize a wide range of technologies with highly differentiated applications; the most consequential distinction currently in display technology is that between liquid crystal display (LCD) and organic light-emitting diode (OLED). LCDs are a relatively long-standing technology that has been prevalent in televisions since the early 2000s, and despite some market share erosion are still a major presence by virtue of being a mature technology that combines versatility and higher lifespans with a comparatively low cost.[5,6,7] OLED is the technology currently positioned to cannibalize the LCD's market share over the next ten years, thanks to generally higher picture quality and reduced power consumption.[8,9] OLED's advantage in power consumption has already made it a mainstay in televisions, smartphones, wearable devices such as smartwatches, and next-generation flexible displays.[10,11]

Through heavy investment in LCD technology in the 1990s, Japan emerged as a major player worldwide in displays.[12,13] Market leadership shifted to South Korea by 2004, led by Samsung Electronics Co. Ltd. and LG Display Co. Ltd., but South Korea's position atop the international display market has been gradually eroded by large-scale investment in LCDs by China, led by BOE Technology Group Co. Ltd. (京东方科技集团股份有限公司, transliterated as Jingdongfang, originally known in English as Beijing Oriental Electronics). South Korea's focus on investment in OLED technology cemented it as the dominant force in high-end displays for decades, but recent analysis from the Korea Display Industry Association asserts that China has reduced the

> *The PRC has strategically targeted the display sector since the early 2000s, eventually integrating it into the 12th Five-Year Plan for the Development of New Display Technology, and later the 2014-2016 New Display Industry Innovation Development Action Plan and its successors, which heavily prioritize R&D of micro-displays and printed micro display panels.*

technological gap in OLED technology to just over one year as China's influence in the high-growth mid-sized OLED market has rapidly expanded.[14,15]

Not only has China maintained the top spot in the international display market since 2021, but Q1 2024 marked the first time that China surpassed South Korea as the leading producer of OLED displays.[16,17] Chinese firms' global share of LCD production is now over 70%, while their share of the OLED market has surpassed 50%.[18] China's recent ascent to the top of the display market has been fueled by sector-targeted national industrial policy. And as China's main player in the display industry, BOE has been a major beneficiary of China's state-subsidized economic model, receiving an estimated $3.9 billion from the Chinese government between 2010 and 2021. BOE was the third-largest recipient of government subsidies in 2022 and the seventh-largest in 2023.[19] As display technology becomes increasingly central to military systems and equipment, and overlaps in its production technologies with other critical sectors such as semiconductors, the importance of this unfair advantage has only continued to grow.[20] In addition to BOE's military ties (discussed in detail below), other heavyweight Chinese firms such as Tianma (a partial subsidiary of the state-owned defense conglomerate AVIC) have developed both civilian and military display technology for decades.[21]

Looking forward, 'microdisplay' technology will likely be one of the most important areas of ongoing competition between the US and PRC. "Microdisplay" technology refers to tiny displays used in a range of cutting-edge consumer, medical, commercial/industrial, and military markets, including augmented reality and virtual reality applications. The rising importance of microdisplays highlights that China's dominance in the display industry will continue to have new impacts as the industry itself evolves and expands.[22]

The US can alter this trajectory if smart decisions are made now. If China's dominance continues, however, the national security implications will extend well beyond the current generation of display technology.

Background: PRC Industrial Policy Supporting the Domestic Display Industry

The PRC has strategically targeted the display sector since the early 2000s, integrating it into the 12th Five-Year Plan for the Development of New Display Technology, and later the 2014-2016 New Display Industry Innovation Development Action Plan and its successors, which heavily prioritize R&D into micro displays and printed microdisplay panels.[23] The Made in China 2025 strategy, launched in 2015, calls for the development of 100-inch-level, 8K, and 4K printed AMOLED displays by 2025. In addition, the Ministry of Industry and Information Technology (MIIT) promulgated the "Implementation Opinions on Promoting the Quality of Manufacturing Products and Services" in early 2024, which included funding for a flexible displays innovation center.

Government subsidies are omnipresent in China's industrial base, and more than 99% of listed firms receive direct government subsidies in some form. Chinese industrial subsidies in 2019 added up to about $245 billion, or nearly 2% of China's GDP at the time.[24] The display industry has been one of the largest recipients of these subsidies.[25] BOE in particular is regularly among the top 10 annual recipients of Chinese government subsidies, ranking third as of June 2024, and its top shareholder is a fund owned by the Beijing municipal government.[26]

Provincial governments also enact policies to support the display industry, such as Guangdong Province's 13th Five-Year Plan for National Economic and Social Development and Sichuan Province's 13th Five-Year Plan.

Provincial- and municipal-level subsidies have a direct impact on Chinese display makers' ability to construct new fabrication plants. For instance, BOE's recently-constructed plant in Chengdu will be operated by a joint venture between BOE and state-owned entities; the Chengdu city government contributed approximately 30% of the funding for construction.[27] In some cases, local government subsidies have provided up to 85% of the construction costs for display facilities.[28]

PRC display technology firms openly acknowledge that they are heavily supported by the central government as a part of China's broader techno-nationalist industrial policy. As recounted in Tianma's own 2017 prospectus, the PRC considers the domestic display panel industry to be a "strategic emerging industry" and is managing its technological transformation via industrial policy carried out by the National Development and Reform Commission, Ministry of Industry and Information Technology, Ministry of Commerce, Ministry of Science and Technology, and numerous other government bodies.[29] The PRC's "macro-level state control of the development of the display panel industry" (again, in Tianma's own words) is accomplished via five-year plans, special plans, and occasional releases of separate planning documents such as "Guidelines for Industrial Structural Adjustment" and "Guidelines for Key Areas of High-tech Industrialization for Currently Prioritized Development." As Tianma puts it, the PRC recognizes that "the display panel industry is a strategic industry that supports the sustainable development of our country's information industry. It has a long industrial chain, has obvious driving effects on a [wide range] of upstream and downstream industries, and is of great significance to the upgrading and transformation of the entire information industry," and indeed China's broader "transformation of its mode of economic growth" towards high technology.

Therefore, Tianma explains, firms like itself and BOE in the display panel industry are "actively supported by PRC national industrial policy." The firm recounts almost a dozen "major policies and laws and regulations in recent years" that directly support China's display industry, including:

- Five-Year Plans for National Economic and Social Development from the National People's Congress
- Five-Year Plans for National Science and Technology Innovation, Five-Year Plans for the Development of National Strategic Emerging Industries, and the Decision on Accelerating the Cultivation and Development of Strategic Emerging Industries from the State Council
- Guidelines to Key Products and Services of Strategic Emerging Industries and Guidelines for Industrial Structural Adjustment from the National Development and Reform Commission (NDRC)
- Special Action Plans for the Innovation and Development of the Smart Hardware Industry, New Display Industry Innovation and Development Action Plans, and the Notice on the Implementation of Major Engineering Packages for Manufacturing Industry Upgrades from MIIT and the NDRC
- The Notice on Further Supporting the Development of the New Display Device Industry and Related Tax Incentive Policies from the Ministry of Finance, the General Administration of Customs, and the State Administration of Taxation
- Guidelines for Key Areas of High-tech Industrialization that are Currently Prioritized for Development from the NDRC, MOST, MIIT, the Ministry of Commerce, and the State Intellectual Property Office

Overall, the PRC government covers 50 to 70% of initial investment costs for PRC display makers through equity investments, cash benefits, and discounts on loans, land, and infrastructure. China also provides a selling price subsidy of 5 to 15% when a panel maker

sells a product to their original equipment manufacturer. China also provides talent recruitment subsidies of up to 100% and supports annual salaries when display manufacturers hire personnel with advanced degrees from overseas. The PRC also makes sure to offer attractive financing to the sector, providing capital at zero or low interest rates. Companies in the sector are also eligible for reduced corporate tax rates of as low as 15%.[30] The combined effect of these various subsidies and measures is billions of dollars in state support for the display industry. China's massive subsidization of the display industry has led to a level of overcapacity in the sector that has in turn driven down prices, creating a perilous market environment for global firms that are not propped up by PRC-style state support and must remain genuinely profitable if they are to survive. China has doubled down in recent years with efforts to channel state subsidies to various industries through more indirect means, such as sector-specific tax refunds, in order to avoid international scrutiny and criticism for anti-free trade practices. The PRC government's annual tax rebates to major firms increased 400% over the past decade.[31]

Chinese theft of foreign IP in the display industry has also been rampant. In July 2023, South Korea's Supreme Court found a dozen executives and employees of Toptec, a key input supplier to the display industry, guilty of leaking core technological assets to BOE. In July 2024, a South Korean former engineer was sentenced to six years in a South Korean prison for leaking 340 billion won ($245 million) worth of OLED technology secrets to China.[32] In October 2023, the US International Trade Commission (USITC) announced it would investigate allegations that several Chinese electronics companies stole trade secrets related to OLED display technology from a Korean display company.[33] USITC identified eight Chinese respondents in the case so far, including BOE and six of its subsidiaries.

> *BOE is a leading Chinese manufacturer of LCDs, OLEDs, and flexible displays for the global market. BOE was spun off in 1993 from the Beijing Electronics Factory (北京电子管厂), a state-owned military enterprise founded in 1956 that specialized in the research and development of semiconductor devices. BOE remains a core participant in the PLA's "Military-Civil Fusion" (MCF or 军民融合) efforts in the display industry, whereby civilian industrial capacity is leveraged for dual-use purposes in exchange for subsidies and other preferential treatment.*

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Registered Address: No.10 Jiuxianqiao Road, Chaoyang District, Beijing, 100176, China

Office Address: 12 Xihuan Middle Road, Beijing Economic-Technological Development Area, 100176

BOE is a leading Chinese manufacturer of LCDs, OLEDs, and flexible displays for the global market. BOE was spun off in 1993 from the Beijing Electron Tube Factory (北京电子管厂, also known as Factory 774), a state-owned military enterprise founded in 1956 that specialized in the research and development of semiconductor devices.[34] BOE remains a core participant in the PLA's "Military-Civil Fusion" (MCF or 军民融合) efforts in the display industry, whereby civilian industrial capacity is leveraged for dual-use purposes in exchange for subsidies and other preferential treatment.

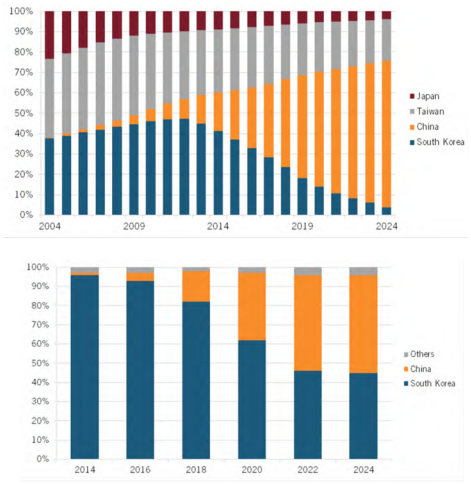
Originally named Beijing Oriental Electronics Group Co. Ltd. and led by Dongsheng Wang (王东升), the company was renamed BOE Technology Group Co. Ltd. in 2001. BOE boasts a total of 90,563 employees, with listed A and B shares trading on the Shenzhen Stock Exchange from 2003 and 2001, respectively.[35] Detailed information on BOE's shareholders and ownership structure can be found in Appendix A.

BOE has several business segments, including: Display Devices, IoT Innovation, Sensors, MLED, and Smart Engineering Medicine.[36]

- The **Display Devices** division covers the research, development, production and distribution of thin-film transistor-liquid crystal displays (TFT-LCDs), Active Matrix Organic Light Emitting Diodes (AMOLED), display screens, and thin film transistors, among others. This business segment is used for a spectrum of applications such as mobile phones, tablets, notebooks, monitors, TVs, vehicle displays (including through BOE subsidiary Varitronix), digital information displays, healthcare, finance, and wearable devices.
- The **IoT Innovation** division provides integrated Internet of Things solutions for mobile health products, the optoelectronics industry, vehicle and display networks, intelligent finance and intelligent displays, and smart industrial parks.
- The **Sensor** division integrates design and manufacturing services for glass-and silicon-based system solutions, specifically including smart display windows, glass-based sensor devices, micro-electromechanical systems (MEMS) sensors, industrial sensors, and consumer electronics.
- The **MLED** division focuses on LED backlight enhancements for LCD monitors, notebooks, televisions, vehicles, VR/AR devices, and mini/micro-LED displays.
- The **Smart Engineering Medicine** division combines medicine and life science research, including applications in mobile healthcare, digital hospitals, regenerative medicine, and healthcare parks.

Over the past decade, Chinese firms have dramatically gained market share in both the LCD and OLED markets, as seen in Figure 1 below, and BOE has been leading the charge.[37]

Figure 1: Global LCD market share (above) and Global OLED market share (below) by country and year[38]



BOE's Executive Committee and Corporate Leadership

Many members of BOE's executive leadership have deep ties to the Chinese Communist Party (CCP) and its institutions. Depending on the individual, these ties include not only Party membership itself, but also elite positions within the Party apparatus and awards and honors from Party organs. Full biographies of all members of BOE's corporate leadership team are offered in Appendix B.

Figure 2 from the 2024 Interim BOE Report shows the company's most recent senior management changes.[39]

BOE's Ties to the Chinese Government and Chinese Communist Party

BOE is frequently referenced in media as an example of China's industrial "national champions," designated by the government to receive undue considerations, subsidies, and other benefits in order to capture a larger share of the international market. BOE Technology Group Co. Ltd.'s single largest shareholder is the Beijing State-owned Capital Operation and Management Center (北京国有资本运营管理有限公司), which holds 10.79% of outstanding shares.[40]

Within the BOE family of companies, Beijing BOE Sensing Technology Co. Ltd. in particular has been designated a "little giant" (小巨人) enterprise.[41]

Figure 2: Changes of Directors, Supervisors and Senior Management

Name	Office title	Type of change	Date of change	Reason for change
Pan Jinfeng	Director	Resignation	23 January 2024	Voluntary resignation
Liu Xiaodong	Director	Resignation	12 March 2024	Voluntary resignation
Sun Yun	Director	Resignation	12 March 2024	Voluntary resignation
Feng Qiang	Director	Elected	26 April 2024	Elected
Zhu Baocheng	Director	Elected	26 April 2024	Elected
Wang Xiping	Director	Elected	26 April 2024	Elected
Sun Fuqing	Supervisor	Resignation	12 June 2024	Voluntary resignation
Zhu Baocheng	Director	Resignation	8 July 2024	Voluntary resignation
Song Ligong	Supervisor	Elected	24 July 2024	Elected
Liu Xiaodong	Senior management	Dismissed	24 July 2024	Job change
Liu Zhiqiang	Senior management	Appointed	24 July 2024	Appointed

Beijing Zhongxiangying Technology Co. Ltd., held 91% by BOE, operates BOE's industrial internet platform and was designated a "little giant" in 2023.[42,43,44] The Chinese government's Ministry of Industry and Information Technology (MIIT) designates selected small-to-medium enterprises engaged in strategically important, cutting-edge technologies as "little giants," a form of national champion designation that is accompanied with substantial government support.[45]

BOE's Ties to the Chinese Military

BOE makes no secret of its extensive connections to China's military-industrial complex and armed forces, with the company openly showcasing its defense ties to the press. China's financial press reported in 2015, for example, that a representative of BOE directly asserted that BOE is involved in a range of military projects. The report mentions BOE's involvement in the development of military-use headgear, as well as the firm's participation in a combat aircraft project.[46] BOE personnel are scheduled to represent the company at the upcoming 8th Nanjing National Defense Electronics Exhibition in late November 2024.[47] Simply put, there is no question whether BOE participates in military-use technology development; the only question is precisely which BOE facilities are most directly involved in supporting the PLA.

The Chinese press also reported that BOE founded a "Military-Civil Fusion (MCF) Industrial Park" in Mianyang, Sichuan Province in 2016, along with several other companies including Sichuan Changhong Electric Co., Ltd.[48] Although none of BOE's facilities in Mianyang have been explicitly identified as this MCF park, BOE's primary facility in Mianyang was built in 2016 and is the most likely match. In addition to its size and centrality to BOE's operations in Mianyang, this facility is located a mere two blocks from the Changhong Intelligent Manufacturing Industrial Park (长虹智能制造产业园), which reportedly includes a significant MCF component.

A 2023 budget report for Pidu District in Chengdu, Sichuan mentions the presence of another BOE Military-Civil fusion industrial park in the area but does not mention the name of the facility.[49] BOE is currently

Figure 3: Mianyang BOE Optoelectronics Technology Co., Ltd.[50]

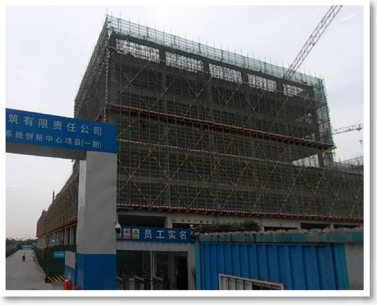


Figure 4: BOE (Chengdu) Smart Technology Innovation Center[58]

constructing the BOE (Chengdu) Smart Technology Innovation Center (京东方成都智慧系统创新中心) in Chengdu's Pidu district making it the most likely location of this Military-Civil fusion center.[51]

In July 2024, representatives from Anhui Province's National Defense Posts and Telecommunications Union (国防邮电工会) toured the facilities of Hefei BOE DisplayTechnology Co., Ltd.[52] This appears to have been part of a tour to inspect various defense contractors; in addition to BOE, the Union visited Anhui Shenjian Technology Co., Ltd. (安徽神剑科技股份有限公司), a state-owned enterprise under China South Industries Group (中国兵器装备集团), which has been identified as a Chinese military company by the US Department of Defense; the Anhui Province branch of China Tower Corporation Ltd. (中国铁塔股份有限公司), which is jointly owned by China Mobile, China Unicom, China Telecom, and China Guoxin Holdings and collaborates with the Chinese military; and the 16th and 38th Research Institutes of China Electronics Technology Group Corporation

(CETC, 中国电子科技集团公司), China's leading military electronics manufacturer.[53,54,55,56,57] It is therefore likely that the Hefei facility is also involved in the BOE's military-use projects.

BOE Sensor Technology Co. (北京京东方传感技术有限公司) has a range of defense and government customers, including CASIC's Beijing Machinery Equipment Research Institute (北京机械设备研究所) and, through its subsidiaries, the China Association for Science and Technology (中国科学技术学会).[59] The China Association for Science and Technology publicly defines its function as serving as a link between the Chinese Communist Party and Chinese scientists.[60]

BOE's Ties to Defense Industrial Research and Academic Institutions

BOE has also built connections to Beihang University (北京航空航天大学, formerly the Beijing University of Aeronautics and Astronautics), which is one of the "Seven Sons of National Defense" universities selected by the Chinese state to play a privileged and central role in China's defense technology research and development ecosystem. The firm also has a working relationship with University of Electronic Science and Technology of China (电子科技大学 or UESTC), an important Chinese defense-industrial university with deep military ties."

BOE and Beihang University collaborate on medical

Figure 5: Signing ceremony for the Beihang-BOE Hefei Strategic Cooperation Agreement[61]

research and innovation through BOE Hospital in Hefei.[62] Continuous collaboration in the medical field between BOE and Beihang University also occurs in Beijing, most notably through their joint "China Medical Silicon Valley" (中国医工硅谷) project.[63, 64] Cooperation on the project was cemented through a BOE-Beihang strategic cooperation agreement that also involves BOE and Beihang collaborating to build the Beihang School of Global Innovation Management.[65]

At the signing ceremony for the BOE-Beihang strategic cooperation agreement in 2017, then-CEO of BOE Dongsheng Wang said that BOE and Beihang University "will jointly build an innovation management school and carry out talent training and project cooperation in related fields such as microelectronics, medical engineering, intelligent manufacturing, and big data." The Secretary of Beihang University's Chinese Communist Party Committee, Jun Zhang, asserted that Beihang University's Hefei Science City project would be a medium through which BOE and the university advance their cooperation.[66]

Hefei Science City remains under construction and is slated to contain multiple science and technology industrial parks, national innovation platforms, and a national laboratory by 2025, making it a significant part of China's state-led national innovation system.

However, Beihang University's Hefei Innovation Research Institute, slated to be an important part of the city, is currently in operation, and it contains a "military-civil fusion research institute" (军民融合研究院) as well as other entities conducting research with military applications, including the Satellite Navigation and Location Services Engineering Center (卫星导航与位置服务工程中心).[67] BOE's participation in this agreement very likely contains a military-industrial component.

Figure 6: Beihang University's Hefei Innovation Research Institute[68]

As for the UESTC, the university has been partnering with BOE Technology's Joint Innovation Research Institute in research, applied development, and talent training since 2017.[69]

A representative from the BOE Joint Innovation Research Institute also attended a meeting for the Tianfu Jiangxi Laboratory, jointly founded by UESTC and the Chengdu High-Tech Industrial Development Zone. Local Party representatives were joined by representatives from CETC, China's leading military electronics manufacturer, and Huawei, a US-sanctioned company that the Federal Trade Commission has designated a national security threat.[70,71] In a moment that highlighted the nexus between BOE, China's military-industrial complex, and the Chinese Communist Party, Jun Hu, UESTC's president and Deputy Secretary of its Chinese Communist Party Committee, spoke of the need for Tianfu Jiangxi Laboratory to strengthen cooperation with BOE in science and technology innovation.[72]

In September 2024, the Tianfu Jiangxi Laboratory jointly hosted the "National Academic Conference on Electromagnetic Space and Ubiquitous Internet" with UESTC and the Chinese Institute of Electronics (中国电子学会or CIE).

Figure 7 : Tianfu Jiangxi Laboratory's Second Meeting of the First Executive Council[73]

Figure 8: The Second Executive Council Meeting for the BOE-UESTC Joint Innovation Research Institute (2023)

Advertising for the conference detailed the importance of the laboratory's research topics for the defense industry, underscoring the ties of this defense-academic nexus to China's military development.[74]

In late January 2024, BOE appointed six academicians from the Chinese Academy of Sciences, in the fields of chemistry, materials, electronics, and computer science, as strategic technology consultants.[75] One of these scientists, Jianxin Xie (谢建新), is a professor at the Beijing Institute of Technology. Xie is linked to China's aerospace advanced materials research and development initiatives, including a working group with CASC and CASIC that was founded to "build national strategic scientific and technological strength for advanced aerospace materials to support the construction of a powerful aerospace nation."[76]

BOE's Ties to Repression in Xinjiang

BOE's subsidiary, Beijing BOE Energy Technology Co., Ltd. (京东方能源科技股份有限公司), has a range of operations in Xinjiang, including direct collaboration with government institutions persecuting the Uyghur ethnic minority population.[77] The company's business interests in the province are not fully known. For example, another Xinjiang producer of "smart electronic

Figure 9: University and research institute experts, including Jianxin Xie, appear at the founding conference of the China Aerospace Advanced Materials Alliance[76]

glass covers" has a long-term business relationship with BOE, but the article appears to intentionally omit naming the company or the part of Xinjiang that the company operates in.[78]

BOE held a joint "innovation development forum" with the Xinjiang Production and Construction Corps (XPCC) and Beihang University in 2017.[79] XPCC is a state-run paramilitary corporate conglomerate that has been sanctioned by the US government for its role in human rights violations against the Xinjiang region's Uyghur population.[80]

Several articles also detail cooperation between the XPCC 225th Regiment, 14th Division (新疆生产建设兵团第十四师225团) and the Beijing Economic-Technological Development Area (北京经开区), which counts BOE Technology Group Co. as one of its resident enterprises.[81] The zone receives government support and preferential treatment for the ostensible purposes of economic development, with specially appointed government representatives.[82, 83]

These articles discuss the two parties' cooperation in the "Xinjiang Aid" effort (援疆). "Xinjiang Aid" is presented by the Chinese government as a program to economically develop the Xinjiang region and improve living conditions for the Uyghur ethnic minority, with initiatives like labor pairing programs and vocational training. However, these efforts are often involuntary and have been tied to forced labor.[84]

Two articles mention BOE directly within the context of cooperation between the Beijing Economic-Technological Development Area and the 225th Regiment. One shows that BOE signed agreements to participate in the "Xinjiang Aid" program in four local villages, and another quotes a representative of the Beijing Economic-Technological Development Area that the zone will support enterprises, including BOE, to "actively participate in local economic development.[85, 86] In March 2020, the Australian Strategic Policy Institute (ASPI), a think tank that actively tracks China's military development and human rights abuses, included BOE Technology Group in a list of companies that potentially utilized Uyghur labor through abusive labor transfer programs as recently as 2019.

Tracking BOE's Forced Labor Supply Chain: Hefei Highbroad Advanced Material Co.

These allegations of human rights abuses have specifically implicated BOE supplier Hefei Highbroad Advanced Material Co., Ltd., which manufactures components for BOE's flat panel displays. Highbroad reportedly sponsored the alleged forced transfer of 1,000 Uyghurs per year to its manufacturing facilities between 2017 and 2020, with at least 500 reportedly working at Highbroad's electronics factory in Hefei. Separately in 2018, 544 Uyghurs were allegedly forced to work at another factory in Hefei belonging to Highbroad's subsidiary, Fuying Photoelectric Co., Ltd.[87]

Company Name: Highbroad Advanced Material (Hefei) Co., Ltd.

Main Business Areas: Research, development, design, and manufacturing of backlight modules and display materials. Products include reflectors, polarizers, light guide plates, diffusions, and bright enhance films.

Origin: Founded on December 2, 2009; headquartered in Hefei, China.[88]

Address: No. 699 Dayu Rd., Hefei, Anhui Province Key

Executives and Board Members.[89]

- Jiansheng Zhou (周健生), Chairman-Supervisory Board
- Huaixue Sheng (盛怀雪), Member-Supervisory Board
- Zhaozhong Wang (王照忠), Chairman & General Manager
- Zhiguang Xiao (肖志光), Member-Supervisory Board
- Yanping Li (李艳萍), Chief Financial Officer & Director
- Jimei Cai (蔡姬妹), Director & Deputy General Manager

BOE's Links to Companies and Government Organizations Undermining US National Security

BOE has a number of both direct and indirect links to firms in both China's private sector and China's broader state that have separately been identified as harming US interests.

- Shanghai Micro Electronics Equipment (SMEE or上海微电子装备集团股份有限公司), a BOE supplier, is on the Entity List for "acquiring and attempting to acquire U.S.-origin items in support of China's military modernization."[90, 91] The company is also a supplier to BOE's Sensor Technology affiliate.[92]
- A subsidiary of ZTE Corporation named Nubia Technology (努比亚技术有限公司) is a BOE customer.[93] The Federal Communications Commission has determined that ZTE as well as its parents, affiliates, and subsidiaries pose a threat to national security.[94]
- BOE is intimately connected to Huawei, the national champion that is the target of a variety of US sanctions. In the span of several years, BOE

"BOE has a number of both direct and indirect links to firms in both China's private sector and China's broader state that have separately been identified as harming US interests."

has become Huawei's main supplier of displays, eclipsing even other Chinese suppliers.[95] As with SMIC in the realm of semiconductors, BOE is one of several Chinese national champion firms that are now central to Huawei's efforts to mitigate the impact of Western sanctions on its global sales and market share.[96]

- Wuhu Dongxu Optoelectronic Equipment Technology Co., Ltd. (芜湖东旭光电装备技术有限公司) is a supplier of BOE; Dongxu has longstanding ties to the PRC government, the CCP, and the PLA.[97, 98]
- One of BOE's customers, Sichuan Changhong Electronics Holding Group Co. Ltd. (四川长虹电子控股集团有限公司), has a customer in Chengdu Guoguang Electric Co. Ltd. (成都国光电气股份有限公司), aka the state-owned 776 factory, which in turn has a range of defense-industrial customers including University of Electronic Science and Technology of China (UESTC), the China Academy of Engineering Physics (CAEP or 中国工程物理研究院), China Electronics Technology Group Corporation (CETC or 中国电子科技集团), and AVIC's China Air-to-Air Missile Research Institute (中国空空导弹研究院).[99] BOE technology may find its way through these nested customer relationships into military and defense-industrial end uses.
- Another customer of BOE, Konka Group Co., Ltd. (康佳集团股份有限公司), has a range of customers across both the People's Armed Police and the PLA.[100] The People's Armed Police, the armed forces of China primarily responsible for internal security and law enforcement, have been tied to repression and human rights abuses in ethnic minority areas like Tibet and Xinjiang.[101] In addition to military uses, BOE technology may be employed in domestic repression through this nested supplier relationship.

BOE's Receipt of Major State Subsidies

According to BOE's 2024 Interim Report, BOE received nearly 3.5 billion RMB ($495 million) in state subsidies over the past 18 months.[102] This high level of state support is not a recent phenomenon; as early as 2019 BOE received $283 million in state subsidies.[103] Indirect PRC subsidies in the display industry also include tax breaks, discounted access to capital, free or discounted land and utilities, and subsidies for hiring foreign talent.

Other PRC Display Companies' Participation in Military-Civil Fusion

In addition to BOE, many of the PRC's other prominent display makers are also participants in Military-Civil fusion efforts. The following PRC display firms have facilities identified by analysts as being co-located on known MCF bases:

- Leyard Optoelectronic Co. Ltd. (利亚德光电股份有限公司)[104]
- Beijing Caiyida Technology & Development Co. Ltd. (北京彩易达科技发展有限公司)[105]
- Beijing Zdvsion Technology Co. Ltd. (北京卓达威视科技有限公司)[106]
- Beijing Qingyun Aviation Instrument Company (北京青云航空仪表有限公司) [107]
- Beijing Tricolor Technology Co. Ltd. (北京淳中科技股份有限公司)[108]
- Beijing Huashi Ruizhi Electronic Technology Co. Ltd. (北京华视睿智电子科技有限公司)[109]
- Zhongdian Guoji South Co. Ltd. (CETC 55th Research Institute or 中电国基南方集团有限公司)[110]
- Suzhou Changfeng Avionics Co. Ltd. (苏州长风航空电子有限公司)[111]
- VATION (巨洋神州科技集团有限公司)[112]

- Hubei Anxin Smart Technology Co. Ltd. (湖北安心智能科技有限公司)[113]
- Shenzhen Easyvision Technology Co. Ltd. (深圳市易視信科技有限公司)[114]
- Shenzhen Liantronics Co. Ltd. (深圳市联建光电股份有限公司)[115]
- Unilumin Group Co. Ltd. (深圳市洲明科技股份有限公司)[116]
- TCL Technology (TCL科技集团股份有限公司)[117]
- Sichuan Xuhong Optoelectronic Technology Co. Ltd. (四川旭虹光電科技有限公司)[118]
- Mianyang Exax Electronic Materials Co. Ltd. (綿陽艾薩斯電子材料有限公司)[119]

As this extensive participation in MCF demonstrates, disruption in trade flows for display technology could jeopardize a nation's military effectiveness, and reliance on Chinese companies for display procurement presents a serious supply chain threat to US national security.[120]

Understanding this threat demands a thorough examination of the PRC's national champion firm in this sector, BOE Technology, including its deep ties to China's party-state, defense-industrial complex, and surveillance apparatus of domestic repression.

Key Takeaways and Policy Prescriptions

As detailed throughout this report, display technology is best understood as a dual-use industry due to its extensive presence throughout any modern supply chain for military electronics and information technology. The PRC's selection of BOE as a national champion corporation, and its subsidizing of BOE's development with the hopes of cannibalizing foreign market share from existing market leaders, would therefore pose a significant national security challenge even if BOE were not involved with any objectionable entities and programs.

However, we know from BOE's own admissions that the firm – as with other major players in the PRC display industry such as Tianma and TCL – is deeply involved with the CCP, the PLA, and China's broader military-industrial complex. We also know that BOE has ties to organizations carrying out repression of the Uyghurs in Xinjiang and may have Uyghur forced labor in its supply chain through its suppliers. BOE's aggressive participation in both China's military development and domestic repression necessitate a policy response from US legislative and regulatory bodies in the interest of US national security. Measures such as the Entity List, USTR's Section 301, the Department of Defense's 1260H list, and measures from Treasury's OFAC must all be considered.

Beyond BOE, much broader measures are available that could help the United States and its allies/partners retake the initiative in the display industry, ranging from component tariffs to reshoring or friendshoring incentives. As detailed in this report, numerous display firms in China are involved in Military-Civil fusion efforts of some kind; restricting their access to American capital and technology should be a major priority. US policy can and should treat participation in Military-Civil Fusion efforts as grounds for limiting such participating entities' access to critical US institutions, particularly the financial sector.

Appendix A: BOE Shareholders and Shareholdings

Figure 10 shows the top ten shareholders and shareholdings in BOE Technology Co., Ltd. Beijing State-owned Capital Operation and Management Company Limited holds 10.79% shares, but indirectly also holds 100% equity in Beijing Jingguorui Investment Management Co., Ltd. And directly holds 77.5918% equity in Beijing Jing Guorui SOE Reform and Development Fund (LP).[121]

Beijing State-owned Capital Operation and Management Company Limited	State-owned legal person	10.79%	4,063,333,333
Hong Kong Securities Clearing Company Ltd.	Foreign legal person	6.05%	2,278,498,375
Beijing BOE Investment & Development Co., Ltd.	State-owned legal person	2.18%	822,092,180
Beijing Jing Guorui Soe Reform and Development Fund (L.P.)	Other	1.91%	718,132,854
Hefei Jianxiang Investment Co., Ltd.	State-owned legal person	1.77%	666,195,772
Fuqing Huirong Venture Capital Co., Ltd.	Domestic non-state-owned legal person	1.42%	535,302,540
Perseverance Asset Management- Perseverance Xiaofeng No.2 Zhixin Fund	Other	0.93%	349,999,919
Ningxia Risheng High-tech Industry Co., Ltd.	Domestic non-state-owned legal person	0.90%	339,525,766
Xu Lili	Foreign natural person	0.89%	336,599,581
FOTIC-Foreign Trade Trust- Perseverance Xiaofeng Hongyuan Assembled Fund Trust Plan	Other	0.88%	329,988,907

Figure 10: BOE Shareholders and Shareholding

The following chart shows the ownership ties between BOE Technology Group Co., Ltd. and the Beijing Municipal arm of the State-owned Assets Supervision and Administration Commission (SASAC), which is ultimately subordinate to the PRC State Council.[122] SASAC is administrated under the State Council and responsible for managing all state-owned enterprises.

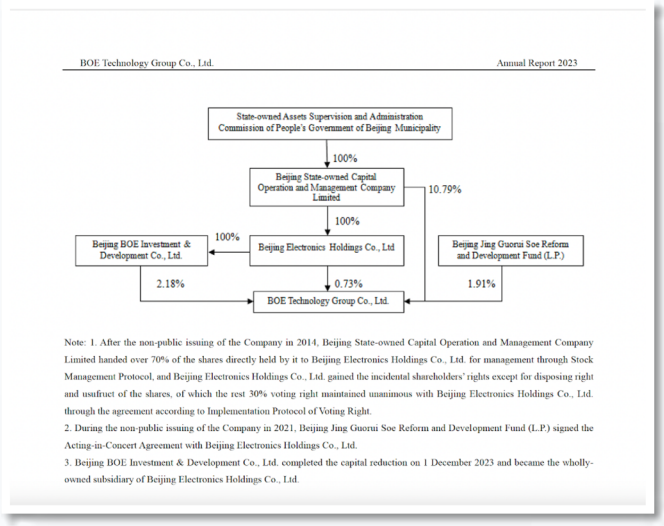
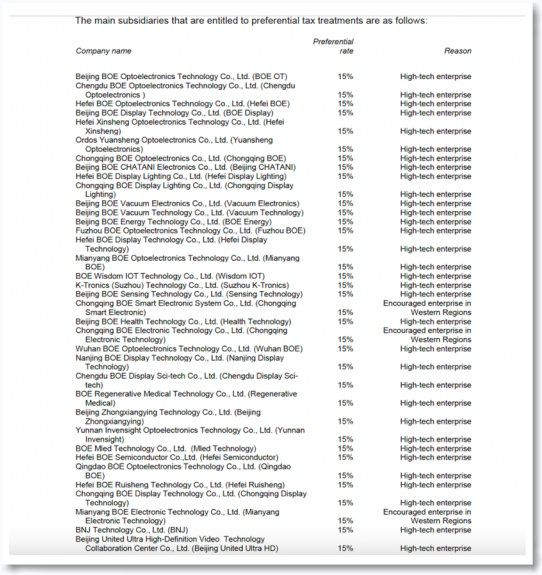


Figure 11: SASAC-BOE Shareholding Explanation (2023)

Tax Treatment of BOE's Main Subsidiaries

Numerous BOE subsidiaries are entitled to preferential tax treatment from the PRC government, as shown in the figure below.[123]



The main subsidiaries that are entitled to preferential tax treatments are as follows:

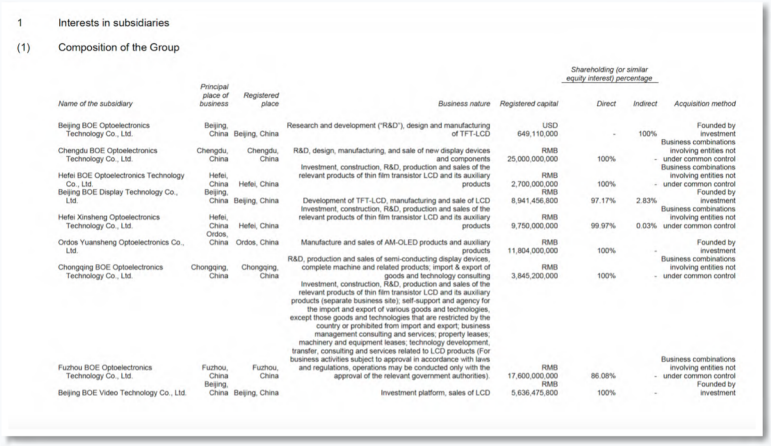
Company name	Preferential rate	Reason
Beijing BOE Optoelectronics Technology Co., Ltd. (BOE OT)	15%	High-tech enterprise
Chengdu BOE Optoelectronics Technology Co., Ltd. (Chengdu Optoelectronics)	15%	High-tech enterprise
Hefei BOE Optoelectronics Technology Co., Ltd. (Hefei BOE)	15%	High-tech enterprise
Beijing BOE Display Technology Co., Ltd. (BOE Display)	15%	High-tech enterprise
Hefei Xinsheng Optoelectronics Technology Co., Ltd. (Hefei Xinsheng)	15%	High-tech enterprise
Ordos Yuansheng Optoelectronics Co., Ltd. (Yuansheng Optoelectronics)	15%	High-tech enterprise
Chongqing BOE Optoelectronics Co., Ltd. (Chongqing BOE)	15%	High-tech enterprise
Beijing BOE CHATANI Electronics Co., Ltd. (Beijing CHATANI)	15%	High-tech enterprise
Hefei BOE Display Lighting Co., Ltd. (Hefei Display Lighting)	15%	High-tech enterprise
Chongqing BOE Display Lighting Co., Ltd. (Chongqing Display Lighting)	15%	High-tech enterprise
Beijing BOE Vacuum Electronics Co., Ltd. (Vacuum Electronics)	15%	High-tech enterprise
Beijing BOE Vacuum Technology Co., Ltd. (Vacuum Technology)	15%	High-tech enterprise
Beijing BOE Energy Technology Co., Ltd. (BOE Energy)	15%	High-tech enterprise
Fuzhou BOE Optoelectronics Technology Co., Ltd. (Fuzhou BOE)	15%	High-tech enterprise
Hefei BOE Display Technology Co., Ltd. (Hefei Display Technology)	15%	High-tech enterprise
Mianyang BOE Optoelectronics Technology Co., Ltd. (Mianyang BOE)	15%	High-tech enterprise
BOE Wisdom IOT Technology Co., Ltd. (Wisdom IOT)	15%	High-tech enterprise
K-Tronics (Suzhou) Technology Co., Ltd. (Suzhou K-Tronics)	15%	High-tech enterprise
Beijing BOE Sensing Technology Co., Ltd. (Sensing Technology)	15%	High-tech enterprise
Chongqing BOE Smart Electronic System Co., Ltd. (Chongqing Smart Electronic)	15%	Encouraged enterprise in Western Regions
Beijing BOE Health Technology Co., Ltd. (Health Technology)	15%	High-tech enterprise
Chongqing BOE Electronic Technology Co., Ltd. (Chongqing Electronic Technology)	15%	Encouraged enterprise in Western Regions
Wuhan BOE Optoelectronics Technology Co., Ltd. (Wuhan BOE)	15%	High-tech enterprise
Nanjing BOE Display Technology Co., Ltd. (Nanjing Display Technology)	15%	High-tech enterprise
Chengdu BOE Display Sci-tech Co., Ltd. (Chengdu Display Sci-tech)	15%	High-tech enterprise
BOE Regenerative Medical Technology Co., Ltd. (Regenerative Medical)	15%	High-tech enterprise
Beijing Zhongxiangying Technology Co., Ltd. (Beijing Zhongxiangying)	15%	High-tech enterprise
Yunnan Invensight Optoelectronics Technology Co., Ltd. (Yunnan Invensight)	15%	High-tech enterprise
BOE Mled Technology Co., Ltd. (Mled Technology)	15%	High-tech enterprise
Hefei BOE Semiconductor Co.,Ltd. (Hefei Semiconductor)	15%	High-tech enterprise
Qingdao BOE Optoelectronics Technology Co., Ltd. (Qingdao BOE)	15%	High-tech enterprise
Hefei BOE Ruisheng Technology Co., Ltd. (Hefei Ruisheng)	15%	High-tech enterprise
Chongqing BOE Display Technology Co., Ltd. (Chongqing Display Technology)	15%	High-tech enterprise
Mianyang BOE Electronic Technology Co., Ltd. (Mianyang Electronic Technology)	15%	Encouraged enterprise in Western Regions
BNJ Technology Co., Ltd. (BNJ)	15%	High-tech enterprise
Beijing United Ultra High-Definition Video Technology Collaboration Center Co., Ltd. (Beijing United Ultra HD)	15%	High-tech enterprise

Figure 12: Preferential Tax Treatment Granted to BOE's Primary Subsidiaries

BOE also has equity investments in a US nanotechnology company, NANOSYS, founded by Charles M. Lieber, a former Harvard University professor of chemistry, who was convicted in 2021 of six felonies, including two counts of making false statements to the FBI and investigators from the Department of Defense and National Institutes of Health regarding his participation in the Chinese government's Thousand Talents Program, as well as four counts of filing false tax returns.[124,125]

Organizational structure of the BOE Group's subsidiaries

BOE corporate filings also show the precise relationship between BOE and its many subsidiaries. These subsidiaries all have common business scopes, encompassing data centers, semiconductor technology, and technology development as well as services like technology consulting, software, real estate, and property management.[126] These subsidiaries extend BOE's reach across multiple service and technology sectors in China.

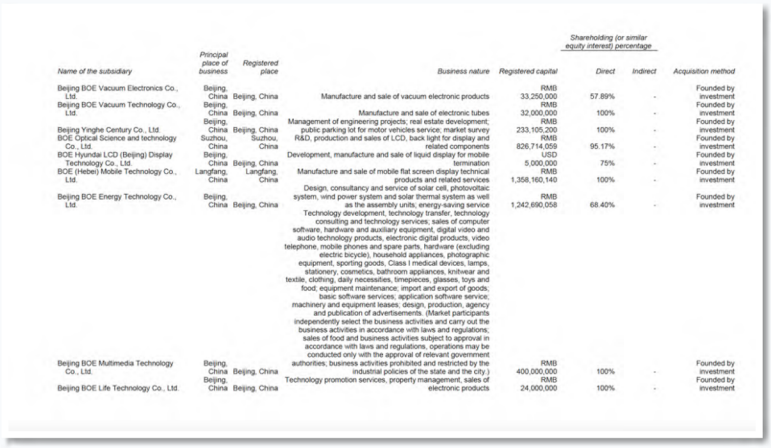


1 Interests in subsidiaries

(1) Composition of the Group

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage: Direct	Shareholding (or similar equity interest) percentage: Indirect	Acquisition method
Beijing BOE Optoelectronics Technology Co., Ltd.	Beijing, China	Beijing, China	Research and development ("R&D"), design and manufacturing of TFT-LCD	USD 649,110,000	-	100%	Founded by investment
Chengdu BOE Optoelectronics Technology Co., Ltd.	Chengdu, China	Chengdu, China	R&D, design, manufacturing, and sale of new display devices and components	RMB 25,000,000,000	100%	-	Business combinations involving entities not under common control
Hefei BOE Optoelectronics Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	RMB 2,700,000,000	100%	-	Business combinations involving entities not under common control
Beijing BOE Display Technology Co., Ltd.	Beijing, China	Beijing, China	Development of TFT-LCD, manufacturing and sale of LCD	RMB 8,941,456,800	97.17%	2.83%	Founded by investment
Hefei Xinsheng Optoelectronics Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products	RMB 9,750,000,000	99.97%	0.03%	Business combinations involving entities not under common control
Ordos Yuansheng Optoelectronics Co., Ltd.	Ordos, China	Ordos, China	Manufacture and sales of AM-OLED products and auxiliary products	RMB 11,804,000,000	100%	-	Founded by investment
Chongqing BOE Optoelectronics Technology Co., Ltd.	Chongqing, China	Chongqing, China	R&D, production and sales of semi-conducting display devices, complete machine and related products; import & export of goods and technology consulting	RMB 3,845,200,000	100%	-	Business combinations involving entities not under common control
Fuzhou BOE Optoelectronics Technology Co., Ltd.	Fuzhou, China	Fuzhou, China	Investment, construction, R&D, production and sales of the relevant products of thin film transistor LCD and its auxiliary products (separate business site); self-support and agency for the import and export of various goods and technologies, except those goods and technologies that are restricted by the country or prohibited from import and export; business management consulting and services; property leases; machinery and equipment leases; technology development, transfer, consulting and services related to LCD products (For business activities subject to approval in accordance with laws and regulations, operations may be conducted only with the approval of the relevant government authorities).	RMB 17,600,000,000	86.08%	-	Business combinations involving entities not under common control
Beijing BOE Video Technology Co., Ltd.	Beijing, China	Beijing, China	Investment platform, sales of LCD	RMB 5,636,475,800	100%	-	Founded by investment

Figure 13: A Comprehensive Accounting of BOE's Subsidiaries (1/7)



Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage: Direct	Shareholding (or similar equity interest) percentage: Indirect	Acquisition method
Beijing BOE Vacuum Electronics Co., Ltd.	Beijing, China	Beijing, China	Manufacture and sale of vacuum electronic products	RMB 33,250,000	57.89%	-	Founded by investment
Beijing BOE Vacuum Technology Co., Ltd.	Beijing, China	Beijing, China	Manufacture and sale of electronic tubes	RMB 32,000,000	100%	-	Founded by investment
Beijing Yinghe Century Co., Ltd.	Beijing, China	Beijing, China	Management of engineering projects; real estate development; public parking lot for motor vehicles service; market survey	RMB 233,105,200	100%	-	Founded by investment
BOE Optical Science and technology Co., Ltd.	Suzhou, China	Suzhou, China	R&D, production and sales of LCD, back light for display and related components	RMB 826,714,059	95.17%	-	Founded by investment
BOE Hyundai LCD (Beijing) Display Technology Co., Ltd.	Beijing, China	Beijing, China	Development, manufacture and sale of liquid display for mobile termination	USD 5,000,000	75%	-	Founded by investment
BOE (Hebei) Mobile Technology Co., Ltd.	Langfang, China	Langfang, China	Manufacture and sale of mobile flat screen display technical products and related services	RMB 1,358,160,140	100%	-	Founded by investment
Beijing BOE Energy Technology Co., Ltd.	Beijing, China	Beijing, China	Design, consultancy and service of solar cell, photovoltaic system, wind power system and solar thermal system as well as the assembly units; energy-saving service	RMB 1,242,690,058	68.40%	-	Founded by investment
Beijing BOE Multimedia Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development, technology transfer, technology consulting and technology services; sales of computer software, hardware and auxiliary equipment, digital video and audio technology products, electronic digital products, video telephone, mobile phones and spare parts, hardware (excluding electric bicycle), household appliances, photographic equipment, sporting goods, Class I medical devices, lamps, stationery, cosmetics, bathroom appliances, knitwear and textile, clothing, daily necessities, timepieces, glasses, toys and food; equipment maintenance; import and export of goods; basic software services; application software service; machinery and equipment leases; design, production, agency and publication of advertisements. (Market participants independently select the business activities and carry out the business activities in accordance with laws and regulations; sales of food and business activities subject to approval in accordance with laws and regulations, operations may be conducted only with the approval of relevant government authorities; business activities prohibited and restricted by the industrial policies of the state and the city.)	RMB 400,000,000	100%	-	Founded by investment
Beijing BOE Life Technology Co., Ltd.	Beijing, China	Beijing, China	Technology promotion services, property management, sales of electronic products	RMB 24,000,000	100%	-	Founded by investment

Figure 14: A Comprehensive Accounting of BOE's Subsidiaries (2/7)

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Ordos City Haosheng Energy Investment Co., Ltd.	Ordos, China	Ordos, China	Energy investment	RMB 37,440,000	-	100%	Founded by investment
BOE Semi-conductor Co., Ltd.	Beijing, China	Beijing, China	Processing, manufacturing and sales of precision electronic components, semi-conductor devices, micro modules, microelectronic devices and electronic materials; import & export of goods	RMB 11,250,000	84%	-	Founded by investment
BOE Optoelectronics Holding Co., Ltd.	Hong Kong, China	British Virgin Islands	Investment holding	USD 1,000,000,000	100%	-	Founded by investment
BOE (Korea) Co., Ltd.	Korea	Korea	Wholesale and retail trade	KRW 95,000,000	100%	-	Founded by investment
BOE Healthcare Investment & Management Co., Ltd.	Beijing, China	Beijing, China	Investment management and project investment	RMB 18,300,000,000	100%	-	Business combinations involving entities not under common control
Beijing Matsushita Colour CRT Co., Ltd.	Beijing, China	Beijing, China	Colour TV set, display tube, colour RPTV projection tube and materials of electronic components; property management and parking services, etc.	RMB 325,754,049	88.80%	-	Business combinations involving entities not under common control
Hefei BOE Display Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, R & D and production of products related to TFT-LCD and the supporting facility	RMB 24,000,000,000	36.67%	-	Business combinations involving entities not under common control
Beijing BOE Technology Development Co., Ltd.	Beijing, China	Beijing, China	Development, transfer, consulting and service of technology	RMB 1,000,000	100%	-	Founded by investment
Hefei BOE Zhuoyin Technology Co., Ltd.	Hefei, China	Hefei, China	Investment, construction, R&D, production and sales of products related to OLED display device and auxiliary products	RMB 800,000,000	75%	-	Founded by investment
Beijing BOE Real Estate Co., Ltd.	Beijing, China	Beijing, China	Development, construction, property management and supporting service of industrial plants and supporting facilities; information consulting of real estate; lease of commercial facilities, commercial attendants and the supporting service facilities; motor vehicles public parking service	RMB 55,420,000	70%	-	Founded by investment
Beijing BOE Marketing Co., Ltd.	Beijing, China	Beijing, China	Sales of communication equipment, hardware & software of computer and peripheral units, electronic products, equipment maintenance; development, transfer, consulting and service providing of technologies; import & export of goods and technologies, agency of import & export; manufacturing consignment of electronic products and LCD devices	RMB 50,000,000	100%	-	Founded by investment

Figure 15: A Comprehensive Accounting of BOE's Subsidiaries (3/7)

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Beijing Zhongxiangying Technologies Co., Ltd.	Beijing, China	Beijing, China	Technology promotion services, property management, sales of electronic products	RMB 109,767,000	91.10%	-	Founded by investment
Yunnan Invensight Optoelectronics Technology Co., Ltd.	Kunming, China	Kunming, China	Development, promotion, transfer, consultation and services of display technology; computer software, hardware and network system services; the construction, operations and management of e-commerce platform; product design; conference services; undertaking exhibitions and presentation activities; computer animation design; production, R&D and sales of OLED microdisplays and AR/VR whole widget; warehousing services; Project investments and management of the invested projects; import and export of goods and technologies; property leases, machinery and equipment leases	RMB 3,040,000,000	79.10%	-	Founded by investment
Mianyang BOE Optoelectronics Technology Co., Ltd.	Mianyang, China	Mianyang, China	R&D, production and sales of flexible AMOLED, the products are mainly used in smart phones, wearable devices, car display, AR/VR, etc.	RMB 26,000,000,000	83.46%	-	Business combinations involving entities not under common control
Beijing BOE Sensing Technology Co., Ltd.	Beijing, China	Beijing, China	Formation of X-ray sensors, microfluidic chips, biochemical chips, gene chips, security sensors, microwave antennas, biosensors, logistics network technology and other semiconductor sensors, technology testing, technical consulting, technical services, technology transfer	RMB 4,786,482,400	100%	-	Founded by investment
Wuhan BOE Optoelectronics Technology Co., Ltd.	Wuhan, China	Wuhan, China	Investing, researching, manufacturing and selling TFT-LCD products and accessory products	RMB 26,000,000,000	47.14%	-	Business combinations involving entities not under common control
Chongqing BOE Display Technology Co., Ltd. ("Chongqing BOE Display")	Chongqing, China	Chongqing, China	R&D, manufacture and sales of semiconductor display devices, whole widget and relevant products, import and export of goods and technical consulting	RMB 26,000,000,000	38.46%	-	Business combinations involving entities not under common control
Nanjing BOE Display Technology Co., Ltd.	Nanjing, China	Nanjing, China	R&D, production and sale of TFT-LCD panels, colour filters and LCD whole-widget modules; providing products and business-related services, as well as other business activities related to the above; import and export of proprietary and agent commodities and technologies	RMB 17,500,000,000	80.83%	-	Business combinations involving entities not under common control

Figure 16: A Comprehensive Accounting of BOE's Subsidiaries (4/7)

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
BOE Education Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development, technology consulting, technology services; technology transfer and technology promotion; software development; basic software services; application software services; computer system services; sales of stationery items, sporting goods, household appliances and electronic products; business management; market research; economic and trade consulting; business management consulting; education consulting; public relations services; corporate image planning; exhibition and presentation activities; conference services; research and experimental development in the natural sciences, research and experimental development in engineering and technology; agricultural scientific research and experimental development; medical research and experimental development; copyright agency; arts and crafts creation services. (Market participants independently select the business activities and carry out the business activities in accordance with laws and regulations; sales of food and business activities subject to approval in accordance with laws and regulations; operations may be conducted only with the approval of relevant government authorities; business activities prohibited and restricted by the industrial policies of the state and the city.)	RMB 55,000,000	100%	-	Founded by investment
Dongfang Chengzi (Beijing) Business Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development, technology services; application software services; basic software services; sales of daily necessities, fresh fruit, fresh vegetables, primary edible agricultural products, household appliances, electronic products and sporting goods; trade agency; translation services; conference services; organisation of cultural and artistic interchange activities (excluding shows); exhibition and presentation activities; design, production, agency and publication of advertisements; enterprise management; market research; real estate information consulting; warehousing services; public relations services; health management; health consulting (excluding diagnosis and treatment activities subject to the approval); ticket agency; hotel booking agency; airline ticket sales agency; railway and passenger ticket agency services; tourism consulting; hotel management; automobile leases; property management, public parking services for motor vehicle; landscaping management; cleaning services; import and export of goods, import and export agency, import and export of technologies; car decoration; operation of sporting events (excluding high-risk sports); accommodation (branch operation only); catering services (branch operation only); beauty services, hairdressing services (branch operation only); medical services (branch operation only); family services (branch operation only); inbound tourism business; sales of food; internet information services. (Market participants independently select the business activities and carry out the business activities in accordance with laws and regulations; sales of food and business activities subject to approval in accordance with laws and regulations, operations may be conducted only with the approval of relevant government authorities; business activities prohibited and restricted by the industrial policies of the state and the city.)	RMB 10,000,000	100%	-	Founded by investment

Figure 17: A Comprehensive Accounting of BOE's Subsidiaries (5/7)

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage: Direct	Shareholding (or similar equity interest) percentage: Indirect	Acquisition method
BOE Environmental Energy Technology Co., Ltd.	Beijing, China	Beijing, China	Technology development, technology consulting, technology transfer, technology promotion, technical services, technical testing of energy-saving technology, environmentally friendly new energy technology, environmental protection equipment, solar electrical energy generation, building integrated PV, electric power, power station operations and maintenance; software development; Internet data services (data centers for Internet data services, excluding cloud computing data centres with a PUE over 1.4); information processing and storage support services (data centers for information processing and storage support services, excluding cloud computing data centres with a PUE over 1.4); contract energy management; water pollution treatment; air pollution control; solid waste treatment; soil pollution treatment and restoration services; environmental protection monitoring, installation, maintenance, leasing of equipment; professional design services; property management; sale of special equipment for environment protection, lighting equipment, electronic products, machinery and equipment, electrical equipment, instruments, hardware products, computers, software and auxiliary equipment, chemical products (excluding licensed chemical products); import and export of goods, import and export of technology; import and export agents; power supply business; construction engineering design; electrical installation services, various engineering and construction activities; EPC of house construction and municipal infrastructure projects; construction labour subcontracting.	RMB 100,000,000	100%	-	Founded by investment
Chengdu BOE Display Sci-tech Co., Ltd.	Chengdu, China	Chengdu, China	R&D, production and sales of TFT-LCD panels and modules, liquid crystal display monitors, televisions, instruments, machinery equipment and accessories as well as provision of technical services; foreign trade in form of import and export of goods and technology	RMB 21,550,000,000	35.03%	-	Business combinations involving entities not under common control
Beijing BOE Chuangyuan Technology Co., Ltd. (Chuangyuan Technology)	Beijing, China	Beijing, China	Manufacturing of display devices; sale of display devices; manufacturing of electronic components; wholesale of electronic components; retail of electronic components; technical services, technology development, technology consulting, technical exchange, technology transfer, technology promotion; import and export of goods; import and export of technology; business management consulting; property management; machinery and equipment leasing; manufacturing of other electronic devices.	RMB 14,500,000,000	60.21%	-	Founded by investment

Figure 18: A Comprehensive Accounting of BOE's Subsidiaries (6/7)

Name of the subsidiary	Principal place of business	Registered place	Business nature	Registered capital	Shareholding (or similar equity interest) percentage		Acquisition method
					Direct	Indirect	
Beijing Shiyan Technology Co., Ltd.	Beijing, China	Beijing, China	Primarily engaged in technical services, technology development; manufacturing of computer software and hardware, as well as peripheral equipment.	RMB 209,000,000	80%	-	Founded by investment
Mianyang BOE Electronic Technology Co., Ltd. (Mianyang Electronic Technology)	Mianyang, China	Mianyang, China	Investment, research and development, production and sales of products related to semiconductor display and the supporting products	RMB 2,400,000,000	100%	-	Founded by investment
HC SemiTek Corporation	Wuhan, China	Wuhan, China	Research, development, production and sales of LED chips, LED epitaxial wafers, sapphire substrates, and third-generation semiconductor compounds GaN power electronics devices	RMB 1,616,698,797	23.01%	-	Business combination involving entities not under common control

Figure 19: A Comprehensive Accounting of BOE's Subsidiaries (7/7)

The following two lists show BOE's partnerships and networks of associates and joint ventures.[127] These entities reflect BOE's investments in developing a wide range of cloud, digital, medical, science, and semiconductor technologies.

3 Information about joint ventures and associates of the Company

Associates and joint ventures that have related party transactions with the Group during this year or the previous year are as follows:

Name of entity	*Relationship with the Company*
Beijing BOE Art Cloud Technology Co., Ltd.	Associate of the Group and the Company
Beijing Xindongneng Investment Management Co., Ltd.	Associate of the Group and the Company
Suzhou Chuangyi Culture Technology Co., Ltd.	Associate of the Group and the Company
TPV Display Technology (China) Limited	Associate of the Group and the Company
BOE Digital Technology Co., Ltd.	Associate of the Group and the Company
Beijing BOE Art Cloud (Suzhou)Technology Co., Ltd.	Associate of the Group and the Company
Beijing BOE Art Cloud (Hangzhou)Technology Co., Ltd.	Associate of the Group and the Company
Beijing BOE Art Cloud (Beijing)Technology Co., Ltd.	Associate of the Group and the Company
Beijing BOE Art Cloud (Yibin)Technology Co., Ltd.	Associate of the Group and the Company
Beijing Nissin Electronics Precision Component Co., Ltd.	Associate of the Group and the Company
Beijing Infi-Hailin Venture Investment (Limited Partnership)	Associate of the Group and the Company
Hefei Xin Jing Yuan Electronic Materials Co., Ltd.	Associate of the Group
Beijing BOE Microbial Technology Co., Ltd.	Associate of the Group
Biochain (Beijing) Science-Technology.Inc.	Associate of the Group
BOE Houji Technology (Beijing) Co., Ltd.	Associate of the Group
Vusion Group SA (Formerly known as SES Imagotag SA Co., Ltd.)	Associate of the Group
Beijing Houji Zhilian Information Technology Co., Ltd.	Associate of the Group
Hefei Jiangcheng Technology Co., Ltd.	Associate of the Group
SES-Imagotag GmbH Co., Ltd.	Subsidiary of associate of the Group
Chongqing Maite Optoelectronics Co., Ltd.	Subsidiary of associate of the Group
Pervasive Displays Inc	Subsidiary of associate of the Group
Beijing Borcheng Medical Laboratory Co. Ltd.	Subsidiary of associate of the Group

Figure 20: BOE Associates and Joint Ventures, (1/2)

4 Information on other related parties

Name of other related parties	*Related-party relationship*
Beijing Smart-Aero Display Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Zhengdong Electronic Power Group Co., Ltd.	Under the same control of the ultimate holding company
Beijing Information Technology College	Under the same control of the ultimate holding company
Baic Electronics SK (Jiangsu) Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electrical Control Jiuyi Industrial Development Company	Under the same control of the ultimate holding company
Beijing Electronic Digital Intelligence Technology Co., Ltd.	Under the same control of the ultimate holding company
BeiJing D.Park Cultural Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing C&W Intelligent Equipment Co., Ltd.	Under the same control of the ultimate holding company
Beijing NAURA Microelectronics Equipment Co.,Ltd.	Under the same control of the ultimate holding company
Beijing Zhaowei Technology Development Co., Ltd.	Under the same control of the ultimate holding company
761 Workshop (Beijing) Technology Development Co., Ltd.	Under the same control of the ultimate holding company
Sevenstar Semiconductor Technologies Co.,Ltd.	Under the same control of the ultimate holding company
Beijing Electronic Information Technology College	Under the same control of the ultimate holding company
Beijing Ether Electronics Group co. , Ltd.	Under the same control of the ultimate holding company
Beijing BOE Investment Development Co., Ltd.	Under the same control of the ultimate holding company
Electronic City (Tianjin) Mobile Internet Industry Platform Development Co., Ltd.	Under the same control of the ultimate holding company
NAURA Technology Group Co., Ltd.	Under the same control of the ultimate holding company
Beijing Yandong Microelectronic Co., Ltd.	Under the same control of the ultimate holding company
Beijing Yandong Microelectronic Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electronic City Shuzhi Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Dongdian Industrial Development Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electronics Holding & SK Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing Zhengdong Power Equipment Installation Engineering Co., Ltd.	Under the same control of the ultimate holding company
Beijing Electric Intelligent Energy Co., Ltd.	Under the same control of the ultimate holding company
Beijing Dahua Electronic Instrument Corporation	Under the same control of the ultimate holding company
Beijing C&W Electronics(Group) Co., Ltd.	Under the same control of the ultimate holding company
Beijing Sevenstar PV Group Co., Ltd.	Under the same control of the ultimate holding company
Beijing C&W Zifu Equipment Technology Co., Ltd.	Under the same control of the ultimate holding company
Beijing 798 Culture Technology Co., Ltd.	Associate of enterprise that is under the same control of the ultimate holding company
New Vision Micro.(Hong Kong) Co., Ltd.	Associate of enterprise that is under the same control of the ultimate holding company
Beijing Senju Electronic Materials Co., Ltd.	Associate of enterprise that is under the same control of the ultimate holding company
Shanghai New Vision Microelectronics Co., Ltd.	Associate of enterprise that is under the same control of the ultimate holding company
China Minsheng Banking Corp., Ltd.	Other related parties
Beijing Yizhuang Environmental Technology Group Co., Ltd.	Other related parties
Nexchip Semiconductor Corporation	Other related parties
Hefei Construction Investment and Holding Co., Ltd.	Other related parties
Hefei Visionox Technology Co., Ltd.	Other related parties

Figure 21: BOE Associates and Joint Ventures, (2/2)

Appendix B: Biographies of BOE Senior Leadership and Directors

Yanshun Chen (陈炎顺)

Job Title: Chairman of the Board, Executive Committee Chairman
From Tianmen City, Hubei Province (湖北省天门市). Master of Economics, Senior Accountant. Joined BOE Technology Group Co., Ltd. in 1993 and previously served as Secretary of the Board, Executive Director, President, and Vice Chairman of the company.[128] Previously served as the Party Secretary of the 3rd Committee of the Party Committee of BOE Technology Group Co., Ltd.[129] In 2015, Chen was awarded the title of "Beijing Model Worker" (北京市劳动模范) by the Beijing Municipal Committee of the Communist Party of China and the Beijing Municipal People's Government. In July 2021, he was awarded the title of "National Outstanding Party Affairs Worker" by the Central Committee of the Communist Party of China. In March 2023, he ranked 42nd on a list of the "50 Most Influential Business Leaders in China."

Wenbao Gao (高文宝)

Job Title: President, Director, Executive Committee Vice Chairman

Ph.D. in Microelectronics and Solid-State Electronics. Previously served as Deputy Technical Director, Production Director, and Executive Deputy General Manager of Beijing BOE Optoelectronics Technology Co. Ltd., Chief Director and General Manager of the Chongqing 8.5-generation TFT-LCD production line, Chief Director of the Chengdu 6th-generation AMOLED production line project, Senior Vice President, Executive Vice President of the Group, and CEO of the Display Business Unit.[130] Previously served as a member of the Party Committee of the 3rd Committee of BOE Technology Group Co. Ltd.[131]

Feng Qiang (冯强)

Job Title: : President, Vice Chairman of the Board, Chief Human Resource Officer, Executive Committee Vice Chairman

Executive MBA, Master's Degree in Engineering. Previously served as Deputy General Manager and General Manager of the company's Technology Park Division, Vice President of the company, and currently holds positions as Vice Chairman of the company, Deputy Chairman of the Executive Committee, Chief Human Resources Office , Chairman of Beijing BOE Life Science and Technology Co. Ltd., Chairman of Beijing BOE Real Estate Co. Ltd., Chairman of Beijing Yinghe Century Real Estate Co. Ltd. (北京英赫世纪置业有限公司), Chairman of Beijing BOE Songcai Innovation Co. Ltd., Director of Chongqing BOE Smart Technology Co. Ltd., Director of Shenzhen BOE Smart Technology Co. Ltd., and Director of Chengdu BOE Smart Technology Co. Ltd.[132] She previously served as a member of the Party Committee of the 3rd Committee of BOE Technology Group Co. Ltd.[133]

Xiaoping Yang (杨晓萍)

Job Title: Chief Financial Officer, Executive Vice President, Executive Committee Member

Graduated from the University of International Business and Economics (对外经齐贸易大学) with an MBA degree. Has held various positions, such as Deputy Director and Director of the Corporate Finance Department, Director of the Group's Accounting and Taxation Center, Director of the Budget Center, and VCFO. She is currently a member of the company's Executive Committee, Executive Vice President, Chief Financial Officer (C O), and serves as a director for several of the group's numerous subsidiaries, including Beijing BOE Optoelectronics Technology Co. Ltd. (北京京东方光电科技有限公司), Chengdu BOE Optoelectronics Technology Co. Ltd. (成都京东方光电科技有限公司), Hefei BOE Optoelectronics Technology Co. Ltd. (合肥京东方光电科技有限公司), Beijing BOE Display Technology Co. Ltd. (北京京东方显示技术有限公司), Hefei Xinsheng Optoelectronics Technology Co. Ltd. (合肥鑫晟光电科技有限公司), Chongqing BOE Optoelectronics Technology Co. Ltd. (重庆京东方光电科技有限公司), Fuzhou BOE Optoelectronics Technology Co. Ltd. (福州京东方光电科技有限公司), and Wuhan BOE Optoelectronics Technology Co. Ltd. (武汉京东方光电科技有限公司).[134,135]

Xiping Wang (王锡平)

Job Title: Executive Vice President, Director, Executive Committee Member

Previously served as Manager of Nanjing HannStar Display Technology Co., Ltd. (南京瀚宇彩欣科技有限公司). Joined the company in 2009 and has held positions including Head of the Company's Production Management Center, General Manager of Hefei Xinsheng Optoelectronics Technology Co. Ltd. (合肥鑫晟光电科技有限公司), General Manager of Wuhan BOE Optoelectronics Technology Co. Ltd., and Co-CEO of the Display Business Unit.[136]

Liqiong Feng (冯莉琼)

Job Title: Executive Vice President, Chief Counsel, Executive Committee Member, Chief Change and IT Management Officer

Previously served as Senior Vice President of the company, Head of the Legal Department, Secretary of the 5th Board of Directors, and Secretary of the 6th Board of Directors.[137]

Zhanqiu Yue (岳占秋)

Job Title: Executive Vice President, Chief Audit Officer

EMBA from China Europe International Business School, Senior Accountant. Previously served as Head of Finance in the Power Division and Chief Accountant of BOE Technology Group Co. Ltd., Finance Manager of Beijing Huamin Smart Card System Co. Ltd. (北京华民智能卡系统有限公司), Finance Director of Beijing Sevenstar Huadian Technology Group Co. Ltd., (北京七星华电科技集团有限公司) Finance Director and Secretary of the Board of Directors of Beijing Sevenstar Electronics Co. Ltd. (北京七星华创电子股份有限公司), Finance Director, Deputy General Manager, and General Manager of Beijing BOE Optoelectronics Technology Co. Ltd.[138]

Previously served as a member of the Party Committee of the 3rd Committee of BOE Technology Group Co. Ltd.[139]

Yu Zhang (张羽)

Job Title: Former Executive Vice President, Former Executive Committee Member

Master's degree holder, engineer. Previously served as Deputy Director of the company's office, Gene al Manager of the Hefei Regional Office, Supervisor of Hefei Xinsheng (合肥鑫晟) Optoelectronics Technology Co. Ltd., Director of Hefei Xinjingyuan Electronic Materials Co. Ltd. (合肥鑫京元电子材料有限公司), and Director of Hefei BOE Optoelectronics Technology Co. Ltd.[140]

Previously served as a member of the Discipline Inspection Committee of the 3rd Committee of the Party Committee of BOE Technology Group Co. Ltd.[141]

Zhang recently resigned from his posts in September 2024.[142]

Huaping Guo (郭华平)

Job Title: Senior Vice President, Chief Cultural Officer

CCP Member. Current Deputy Party Secretary and Secretary of the Discipline Inspection Commission of BOE Group previously served as the Minister of the Propaganda Department of the Party Committee of Beijing Electronics Holding Co. Ltd.[143]

个人简介

姓 名	性 别	出生日期	学 历	国 籍
郭华平	男	1978	硕士研究生	
简 历	郭华平先生，硕士研究生，曾任北京798文化创意产业投资股份有限公司副总经理，北京吉东电子集团党委副书记，北京电子控股有限责任公司党委宣传部/企业文化部部长，北京京电进出口有限责任公司总经理。现任公司高级副总裁、首席文化官、工会负责人。			

Zhiqiang Liu (刘志强)

Job Title: Senior Vice President, Executive Committee Member. Bachelor's degree.

Previously served as General Manager and Chairman of Hefei BOE Optoelectronics Technology Co. Ltd., Chairman of Ordos Yuansheng Optoelectronics Co. Ltd. (鄂尔多斯市源盛光电有限责任公司), Chairman of BOE (Hebei) Mobile Display Technology Co. Ltd., Chief Director of the Qingdao BOE Optoelectronics Technology Co. Ltd. project, and General Manager of Nanjing BOE Display Technology Co. Ltd. Currently serves as a member of the company's Executive Committee, Senior Vice President, and as head of the Technology and Product Platform.[144]

Figure 22: Huaping Guo speaks on BOE history and culture

Hongfeng Liu(刘洪峰)

Job Title: Vice President, Secretary of the Board, Master's degree holder

Previously served as Deputy Director of the Company's Planning and Finance Department, Deputy Director and Director of the Board Secretary Office, Securities Representative, Secretary of the 7th Board of Directors, Secretary of the 8th Board of Directors, and Secretary of the 9th Board of Directors.[145] Due to BOE's relatively low stock price in recent years, Liu Hongfeng and other senior executives were criticized by Chinese netizens for their high salaries. In 2021, Liu received 7.45 million RMB, which sparked public outrage.[146,147]

Figure 23: Chinese netizen social media posts criticizing Liu's salary (2022)

Lishun Wu (吴礼顺)

Job Title: Director, CCP Member, Current Chairman of First Capital Securities Co. Ltd.

Li also serves as the Secretary of the Party Committee and Chairman of the Beijing Municipal Government State-owned Assets Supervision and Administration Commission (SASAC), while concurrently holding a position as a Director at BOE Technology Group Co., Ltd.[148]

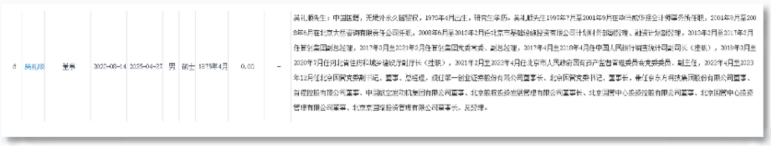


Figure 24: Lishun Wu's public online profile listing his SASAC work

Feng Ye (叶枫)

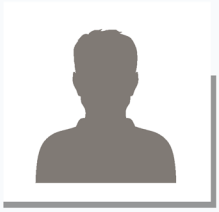
Job Title: Director, Formerly he served as the Director of Beijing Dahua Radio Instrument Factory (北京大华无线电仪器厂), an affiliated enterprise of Beijing Electronics Holding Co. Ltd.

Ye is currently an externally appointed full-time director of the company.[149] Beijing Dahua Radio Instrument Factory is one of China's earliest established large-scale military enterprises specializing in microwave measurement instruments. The company primarily engages in the development and production of instruments for national defense, scientific research, and key engineering projects.

个人简介

姓 名	性 别	出生日期	学 历	国 籍
叶枫	男	1965	本科	中国
简 历	叶枫先生，工学学士，工程师。曾任北京建中机器厂副厂长，北京七星华创电子股份有限公司董事会董事、总经理，北京北广电子集团有限责任公司副总裁，北京大华无线电仪器厂厂长，北京大华无线电仪器有限责任公司董事长。现任公司第九届董事会董事，北京电子控股有限责任公司外派专职董事，北京兆维电子（集团）有限责任公司董事，北方华创科技集团股份有限公司董事。			

Figure 25: Feng Ye's public profile showing his affiliation with the Beijing Radio Dahua Instrument Factory



He Guo (郭禾)

Job Title: Independent Director

Professor at the School of Law/Intellectual Property School of Renmin University of China (中国人民大学法学院) and PhD supervisor. Previously served as a member of the Academic Committee of Renmin University of China, a member of the Committee on Academic Integrity, Director of the Law Library, a member of the National Product Defects and Safety Management Standardization Technical Committee, a member of the Expert Group of the Inter-Ministerial Joint Conference Office or Promoting the Use of Legal Software in Enterprises, a member of the Law Teaching Expert Group at the Graduate School of the Chinese Academy of Sciences, a juror at the Beijing First Intermediate People's Court, a member of the Expert Advisory Group of the Joint Defense Working Group on Intellectual Property Risks in Mobile Smart Terminals, and a senior advisor on decision-making consultation at the Jiangsu Provincial Intellectual Property Office (江苏省知识产权局).[150]

Guo concurrently holds positions as Vice President and Secretary-General of the Intellectual Property Law Research Association of the China Law Society, Vice President of the China Intellectual Property Society, member of the Academic Advisory Committee of the China Intellectual Property Society, and is a Specially Invited Consultant of the Supreme People's Court, Expert Consultant of the Supreme People's Procuratorate, Researcher at the Intellectual Property Judicial Protection Center of the Supreme People's Court, member of the Expert Committee on Civil and Administrative Litigation Supervision Cases of the Supreme People's Procuratorate, and member of the Expert Advisory Committee of the Intellectual Property Case Guidance Research (Beijing) Base of the Supreme People's Court, member of the first National Intellectual Property Experts Database.

Shoulian Tang (唐守廉)

Job Title: Independent Director, CCP Party member

He previously served as the Secretary of the Party Committee and Deputy Dean of the School of Economics and Management.

Jixiang Wang (王岑祥)

Job Title: BOE Independent Director[151]

Born in September 1969 in Guangyuan, Sichuan (四川广元). Researcher and doctoral supervisor at the School of Engineering, Peking University. Director of the National Center for Technological Innovation in the Beijing-Tianjin-Hebei region (京津冀国家技术创新中心), and Director of the Research Center for China's Industry-University-Research Integration Innovation System(中国产学研融合创新体系研究中心). Former Chairman of Xiamen Beida Taipu Technology Co. Ltd. (厦门北大泰普科技有限公司), Vice Dean of the School of Engineering at Peking University, Vice Mayor of Baotou Municipal People's Government (包头市人民政府副市长), Vice President of Southern University of Science and Technology (南方科技大学), and Director of the Beijing Collaborative Innovation Research Institute (北京协同创新研究院).

Member of the Beijing Municipal Committee of the Chinese People's Political Consultative Conference (北京市政協委員 or CPPCC). In 2021, during the second plenary session of the fifth meeting of the 13th Beijing Municipal CPPCC, he represented the science and technology community and delivered a speech titled "Building a 'Professional-Industry' Coupled Beijing-Tianjin-Hebei Collaborative Innovation Community to Create an Upgraded Version of the International Science and Technology Innovation Center."[152]

Xinmin Zhang (张新民)

Job Title: Job Title: Independent Director. CCP Party member since June 1985

Previously served as the Dean of the International Business School at the University of International Business and Economics (UIBE), a member of the Standing Committee of the UIBE Party Committee, and Vice President of UIBE. He is also an expert receiving special government allowances from the State Council. His research primarily focuses on the quality analysis theory of corporate financial conditions, with several projects recognized as key projects by the National Social Science Fund of China.[153]

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TUESDAY, MAY 6, 2025.

UNITED STATES AIR FORCE AND SPACE FORCE

WITNESSES

MR. GARY A. ASHWORTH, ACTING SECRETARY, DEPARTMENT OF THE AIR FORCE

GENERAL DAVID W. ALLVIN, CHIEF OF STAFF, UNITED STATES AIR FORCE

GENERAL B. CHANCE SALTZMAN, CHIEF OF SPACE OPERATIONS, UNITED STATES SPACE FORCE

OPENING STATEMENT OF CHAIRMAN CALVERT

Mr. CALVERT. Good afternoon. The Defense Subcommittee will come to order. The topic of today's hearing is oversight of the Department of the Air Force.

We have three witnesses before us today: Acting Secretary of the Air Force Gary Ashworth—and, Gary, we all like you, but hopefully your replacement will be confirmed here shortly—General David Allvin, Chief of Staff of the Air Force, and General Chance Saltzman, Chief of Staff of Space Operations.

Secretary Ashworth, welcome to the subcommittee.

General Allvin, General Saltzman, welcome back.

Obviously, we all know the administration released the skinny budget—the chairman here said it took him a whole 15 seconds to read it, so it was pretty skinny—for fiscal year 2026 last Friday.

This request includes more than $1 trillion overall for the national defense. However, it does so by assuming $113 billion in funds through reconciliation.

The reconciliation process is not a sustainable approach to resourcing defense. It is not a substitute for regular appropriation.

We are awaiting full details behind the Pentagon's request, but I am glad the administration has prioritized significant funding for defense, especially to modernize the Nation's nuclear deterrent and to support America's space superiority.

While we will be limited in discussing specifics of the fiscal year 2026 budget, I would like to hear about your priorities for next year.

I would like to hear about your approach to leading the Air Force and Space Force in an increasingly dynamic and complex world.

From my perspective, you have got your work cut out for you, absolutely.

The Air Force has had its share of challenges, including the Sentinel Nunn-McCurdy breach, a number of cost overruns, and schedule delays that have resulted in less Air Force, not more.

I was pleased, however, that the Air Force will be moving forward with the F–47, the Next Generation Air Dominance platform, which was, unfortunately, delayed at the direction of the former

Secretary. This craft, I think, will be critical in the future of air superiority.

Given the priority of this program, I expect that it will be appropriately resourced in the President's budget submission.

The program also needs to be rigorously managed to ensure that it remains on time and on budget. We can't have another repeat of the F–35 program.

I have said it before, but quantity has a quality unto itself. The Air Force has been challenged in both procuring the air platforms it needs and adequately sustaining the air platforms it has.

Turning to space, Space Force continues to have an acquisition challenge as well, such as the GPS OCX program, which is more than 7 years late.

I would like to get an update on Space Force's progress in fielding more resilient space systems. Our adversaries are rapidly expanding and enhancing their space capability to challenge the United States.

I would also like to understand more about the plans for the Golden Dome missile defense shield. This committee needs to have a clear understanding of the Golden Dome concept. Specifically, what is a Golden Dome? Is it technically feasible? How much will it cost? And who is in charge?

Overall, I remain very concerned that the Department of Defense continues to struggle with delivering critical capability on time and on budget.

To be blunt, I think the defense acquisition system is broken and that urgent action is needed to address these programs.

So I am pleased to see that the President signed an executive order earlier this month directing the Secretary of Defense to review the antiquated defense acquisition process, address burdensome regulations, make recommendations to incentivize the acquisition workforce to utilize innovative acquisition authorities, and take measured and calculated risk.

I would like to note that nearly 50 years ago Admiral Hyman Rickover, father of the Nuclear Navy, testified before this subcommittee about the core problems in managing complex development programs. It was right here in this very room.

Rickover observed that the military rotation system, where the program managers are replaced every 2 or 3 years, was a major cause of problems.

Rickover testified that due to the short duration in the job, program managers, quote, "have only the shallowest knowledge of the theory of the techniques they must deal with and little experience with the practical problems involved. And they are never kept long enough on the job to acquire such skill and knowledge. Before the results are in, the manager will have moved on and a new manager, equally unqualified, technically, will take his place."

Rickover continued, "Naturally, the new manager will feel no responsibility for prior decisions and actions. His primary ambition will be to keep the program moving in the hope that it will not fail during his own tour. Thus, responsibility cannot be fixed, and there is no bound to the little continuity and technical direction for most of the defense developments underway today."

I believe Rickover's assessment is as true today as it was then. So I hope senior leadership in the Department takes Rickover's assessment to heart, because fixing acquisition will be critical for the Department to deliver the weapon systems and capability the Nation needs.

Furthermore, you are keenly aware of my unwavering support for innovation. The Department has made progress in this area through the Defense Innovation Community of Entities, often referred to as DICE, which includes several of your organizations.

The Defense Innovation Unit leads the DICE. It is my expectation that the services collaborate with DIU and optimize the rigor of mature program executive offices with DIU's flexibility and proximity to extraordinary technological hubs to partner on innovative solutions addressing combatant commanders' needs.

And finally, it is worth noting that we are in the process of consultation direction by the full-year continuing resolution for defense.

While we are all disappointed that we did not complete a regular defense appropriation bill for fiscal year 2025, I am interested in hearing how the Department of the Air Force will navigate the remainder of the year.

We will work closely with you throughout this budget process to find ways we can accelerate the fielding of the platforms needed by our warfighters today.

With that, I am happy to yield to my friend, the ranking member, Ms. McCollum, for any opening remarks she would like to make.

OPENING REMARKS OF MS. MCCOLLUM

Ms. MCCOLLUM. Thank you, Mr. Chair. Thank you for extending me this courtesy.

Good afternoon.

I would also like to welcome Acting Secretary Ashworth, Generals Saltzman and Allvin. It is a distinguished panel that is here, but as the chair pointed out, we look forward to having a conversation with the upcoming Secretary of the Air Force about the budget after confirmation.

We know that the Senate has been having conversations, but our members, too, would like to understand the priorities that he is going to be putting forth.

This is our first hearing with the administration's release of a skinny budget. I would like to take a few minutes to acknowledge what the administration is proposing.

For defense discretionary spending, President Trump is proposing an $893 billion request, essentially what President Biden would have proposed.

This is effectively a freeze from the current fiscal year. Any increases beyond that are assumed through the reconciliation process, which the authorizers control.

No one will be shocked to learn that I don't think that reconciliation is a responsible way to appropriate defense dollars. The committee is constitutionally responsible for the allocation of DOD resources, and we should be controlling the process.

Appropriating defense dollars through reconciliation undermines the authority and the jurisdiction of the Appropriations Committee.

Now, the administrations of both parties have tried before to move money from the discretionary budget into mandatory spending. This is not a new trick, but this is something normally done without any defense spending involved.

And that is because the reconciliation bill may not become the law. If it does not, the committee cannot guarantee that the DOD priorities will be backfilled through the appropriations process.

Next, we know the programs for clean energy and climate resilience have been cut by the administration.

As leaders of the Air Force and Space Force, you cannot afford to take your eyes off the cost of climate change.

Islands in the Pacific are not easily places to get shipping materials to or to build and maintain infrastructure in. It is difficult to protect them from the impacts of climate disruption.

Just look at the typhoon that hit Guam two years ago. $180 billion in additional funding was required to support the construction, planning, and design of the facilities on Guam that were destroyed.

The continuing resolution last December carried an additional $3.4 billion in repair costs for other catastrophic weather events.

That is over $5 billion in taxpayers' money that they had to spend on the impacts of climate change within the Department of Defense.

That is not waste, that is not fraud, that is not abuse, or any other kind of political spin. It is necessary to prepare, to protect, and replace critical infrastructure that our warfighters depend upon.

Climate disruption will not just go away by a wish and a prayer. It is something we have to plan for, deal with, and expect to happen into the future.

Now, turning to major programs.

Air Force and Space Force have big bills due right now. Sentinel program, as has been mentioned, is ballooning—$141 billion—and that is from an original estimate of $78 billion. The schedule is widely off track from where it needs to be.

The Next Generation Air Dominance program is planned to exceed $23 billion, and the price per plane is a serious consideration.

Next, Air Force One is behind schedule, and the Air Force has asked for more money to get that back on track.

Progress has been made on the parked F–35s, and that is good news, although it was bad news for us to read recently in the paper the world's top jet fighter is about to get more expensive because of the President's tariffs.

But there is more that needs to be done to get those planes delivered, and the capabilities that the service needs depends on those planes being delivered.

And then, of course, our new requirements, as the chairman pointed out. Golden Dome, a missile defense program that has yet to be fully articulated by the administration.

These are problems that must be fixed through proper program management, planning, and resources, as the chairman pointed out.

Finally, I want to comment on the administration's approach to personnel management. There is no question that there is a culture of fear developing across the Federal Government as this administration continues to demean and demoralize Federal employees. I have spoken with far too many of them.

People have been fired without cause. People have been asked to quit, and, quote, "find higher productive jobs in the private sector."

I wish the Department of Defense had been immune to this, but it is not. I have had conversations with the services, and especially Space Force, about how do we build a first-class workforce. Secretary Hegseth's goal is to remove 60,000 to 70,000 civilians across DOD.

Now, civilians are raising their hands not to serve, but they are raising their hands to leave. Who will be around to manage the contracting process if DOD needs to get major programs back on track?

We are already living with the impacts of what happens when civilians take a buyout and stop working on contracts. The contract isn't signed, the mission doesn't get done, the programs fall behind, and it costs the taxpayers more.

There will be real ramifications to our national security because of the administration's personnel policies.

We need to do something, sure, but let's not take a chain saw to it. Let's take a scalpel to what we need to do with our personnel policies.

So, gentlemen, I want to thank you again for appearing here today. I want to thank you for your service, for the service of the airmen, guardians, and civilians serving alongside you.

And, Mr. Chair, once again, I thank you for the courtesy, and I yield back.

Mr. CALVERT. I thank the gentlelady.

I now turn to my good friend from Oklahoma, Chairman Cole, for his remarks.

OPENING REMARKS OF CHAIRMAN COLE

The CHAIRMAN. Thank you very much, Mr. Chairman and Ranking Member McCollum. It is always great to be with both of you.

I want to thank the witnesses, obviously, for being here with us today to discuss the current lay of the land for the Department of the Air Force.

Acting Secretary Ashworth, welcome to the Defense Subcommittee.

Generals Allvin and Saltzman, nice to see you this afternoon.

You are sitting here before us as the Air Force and the Space Force face a critical path ahead. The world continues to be a volatile place, with malign actors challenging American interests near and far. Time is not on our side as our adversaries have been outpacing and outproducing us.

We are at a pivotal moment where we need the Air Force and the Space Force that we have today to deter future conflict tomorrow.

I am concerned that it has been taking us too long to acquire new aircraft, weapon systems, and space capabilities, and I am in-

terested in hearing how the Department of the Air Force views managing risk as it pivots some missions from aircraft to space.

For years, I have expressed serious concerns about capability gaps during transitions from one platform to the next. Given the challenges of the geostrategic complexities present today, this is certainly not a time to impose additional budgetary, programmatic, and national security risks.

The future of air power depends on multitasking. We need to modernize and move into the next generation of air superiority while simultaneously sustaining our inventory of aircraft.

Unfortunately, over time we have seen an erosion of some of the basics that are going to require your attention.

One of these areas is manufacturing. Critical aspects of our industrial base have atrophied, and we need to rapidly address aging and obsolete parts across platforms.

There is an opportunity to not just grow relevant technical skills, but to also have a modernized and agile approach moving forward.

I would like to hear your thoughts on advanced manufacturing capability in this country and the benefit it might have for the Air Force.

Modern deterrence hinges on the success of our Air and Space Forces. I look forward to being able to see where resources will be applied for these efforts in fiscal year 2026.

I am also encouraged to see the total amount in the defense submission will top $1 trillion. This top line demonstrates a strong commitment to national security.

Although I would also say, I share the concerns the chairman and the ranking member have about proceeding by reconciliation instead of the normal appropriations process.

We are creating a cliff out there for somebody, whoever the next President is going to be, and that is a very dangerous thing to do.

We also need the line-by-line budget details for the committee to get to work in earnest to uphold fiscal discipline and effective governance.

The committee is prepared to do the hard work and produce appropriations bills by the end of the fiscal year, but we will need the military to provide timely responses to inquiries after the budget is actually submitted in full.

We look forward to your cooperation on that. I know you will do everything you can to get us the information we need.

Again, I want to thank all of you for being here.

And with that, Mr. Chairman, I yield back.

Mr. CALVERT. I thank the gentleman.

Gentlemen, your full testimony will be placed in the record. Please give us a brief summary of statements.

We will start with you, Secretary Ashworth. You are recognized.

SUMMARY STATEMENT OF ACTING SECRETARY ASHWORTH

Mr. ASHWORTH. Chairman Calvert, Ranking Member McCollum, and distinguished subcommittee members, General Allvin and General Saltzman and I would like to thank you for the opportunity to testify on behalf of the Department of the Air Force's fiscal year 2026 budget request.

The Department of the Air Force is at an inflection point. We are encouraged, we are engaged in a fast-paced race for technological superiority against a well-resourced strategic opponent. However, we simultaneously face personnel and platform challenges affecting our immediate readiness.

We must balance our requirement to generate readiness and project power today with the imperative to rebuild our military and develop capabilities so that we can continue deterring our adversaries tomorrow.

Our fiscal priorities are focused on addressing the balance between these realities and supporting the United States' national security objectives as outlined in the Interim National Defense Strategic Guidance.

The scope and severity of the threats to our homeland and national interests are significant and increasing, and we now face one of the most dangerous security environments in our history.

The Department of the Air Force has structured our long-term strategy around the belief that China is our pacing threat, and this reality directly influences the Department's fiscal priorities.

China's defense budget has nearly doubled during the past 11 years, growing 6 percent annually on average.

U.S. defense spending has seen around a 3 percent growth over the same period, increasing below the rate of inflation over the last 5 years, and many of our allies' and partners' defense spending rates are even lower.

These limitations have allowed China to seize an advantage.

We know that everyone on this committee recognizes the importance of timely and consistent funding for our military, and we truly thank you for your support.

Defending the homeland is the Department of the Air Force's number one priority. We will do so by continuing to modernize our nuclear forces, especially through the Sentinel, the B–21, and the Long Range Standoff programs, as well as nuclear command, control, and communication systems that support those.

We are also eager to support the President's Golden Dome for America. While still in the conceptual stage, there is no question that the Department of the Air Force will have a significant role to play on that project.

Our next priority is to deter China. We will do this through investments in our people, our readiness, and our posture within the Indo-Pacific region. We believe that our people are and will continue to be one of our Nation's key competitive advantages.

We are working to train our airmen and guardians to confront the brutal challenges that warfare without sanctuary presents.

We are emphasizing readiness standards by creating new inspections, assessments, and exercises geared towards preparing our personnel for that environment.

And finally, we are strengthening our posture within the Indo-Pacific region, conducting high-level operational exercises that will test our ability to deploy and operate in those contested environments.

Lastly, the Department of the Air Force is prepared to provide critical capabilities and forces to the joint warfighter in order to defeat our adversaries if our deterrence fails.

We will concentrate our efforts in two areas: First, our ability to fight tonight, and second, our ability to fight in the future.

Through our current and future investments, the Department aims to establish a balanced, high-low mix of combat capabilities optimized to project power, both from within and outside of the adversaries' threat environment.

The Department of the Air Force is also looking to streamline our forces wherever possible. This includes finding creative ways to remove excess infrastructure and retire obsolete inventory.

We also recognize our need and responsibility to pass an audit as soon as possible, and we are working to make that a reality.

The Department of the Air Force is extremely proud—I am extremely proud—of all of our airmen and our guardians defending our great Nation and its interests every hour of every day.

We commit to working with this committee to secure timely enactment of the fiscal year 2026 budget request, which will directly support our airmen and our guardians in their uncompromising mission.

We thank you for your time today, and we look forward to your questions.

[The information follows:]

Department of the Air Force Posture Statement

Fiscal Year 2026

Department of the Air Force
Presentation to the Committees
and Subcommittees of the
United States Senate
and the House of Representatives
1st Session, 119th Congress

Statement of:
Mr. Gary Ashworth
Acting Secretary of the Air Force

General David W. Allvin
Chief of Staff, United States Air Force

General B. Chance Saltzman
Chief of Space Operations, United States Space Force

OVERVIEW

The Department of the Air Force (DAF) is committed to defending the U.S. Homeland, deterring aggression and war across the world, and defeating our adversaries in battle if deterrence fails. We will accomplish this mission under Presidential direction and in conjunction with Department of Defense (DoD) policy and guidance, especially focusing on the Secretary of Defense's priorities. We will restore peace through strength by reviving our warrior ethos, rebuilding our military, and reestablishing deterrence. Delivering on these priorities is especially important in our current security environment and the threats posed by China and the Chinese Communist Party (CCP).

The DAF will revive the warrior ethos of every Airman and Guardian by developing our people and generating readiness, honing the training and skills that give us a competitive advantage over our adversaries. We will uphold high and uncompromising standards, focusing on our shared purpose of defending our great Nation. Our personnel will train to fight in a contested environment with the assumption that they will be targeted in every domain. Doing so will give our Airmen and Guardians the will and determination to win any fight.

The DAF will rebuild our military by developing capabilities, reviving our defense industrial base, and reorganizing our Department to prepare for high-end conflict—a conventional war against a peer adversary. This process includes investing in modern technologies and rapidly transitioning them to the warfighter, developing the organizational structures and entities that will help us defend our Homeland and fight abroad, and equipping our forces with the means to fight and win today and in the future. These advancements and investments will provide asymmetric advantages across the spectrum of conflict and keep us ahead of any of our adversaries.

Lastly, **the DAF will reestablish deterrence** by projecting worldwide power whenever called upon, making our competitors rethink their ability to challenge America's vital interests. We will continue to operate two legs of the nuclear triad and the nuclear command, control, and communications (C3) systems to demonstrate our safe, secure, reliable, and effective nuclear deterrent for the Nation. We will balance our modernization efforts with current readiness requirements so that we never sacrifice our ability to fight tonight while also being ready to fight tomorrow. Our allies and partners will play a key role in our power projection and deterrence. Our combined efforts will help restore peace through strength, with our allies and partners shouldering their fair share of the security burden.

The DAF is committed to these priorities, which we are undertaking with a strong sense of urgency. Specific initiatives and requirements in each of these areas are discussed in depth in the U.S. Air Force (USAF) and U.S. Space Force (USSF) sections of this statement. However, our determination is no substitute for on-time, sufficient resources. Remaining competitive and sustaining a lethal force—anytime, anywhere—requires investment.

Timely, consistent authorizations and appropriations for defense spending are necessary to defend the Homeland, deter China, and defeat threats to our national security. Failure to do so represents time we can never get back, allowing our adversaries a free pass to close the gap or even surpass us. A lack of regular appropriations imposes unacceptable near and long-term operational risks as a failure to invest in capability and technological development today, amplifying shortfalls

tomorrow. Failure to provide on-time authority and appropriations will leave the USAF and USSF inadequately prepared for the dramatic geopolitical, technological, and economic challenges we face. To keep pace with the threats in the changing strategic landscape and support a stable industrial base, we urge Congress to enact the FY26 budget request without delay.

Responding to Increasing Threats

The scope and severity of threats to our Homeland and national interests are significant and increasing, and we now face one of the most dangerous security environments in our history. China is the only country with the will and increasing capability to challenge American vital interests. While many other serious threats exist, the DAF views China as its sole pacing threat. The USAF and USSF have structured our long-term strategies around this reality, and the specific threats listed below directly influence the DAF's fiscal priorities reflected in the FY26 budget request.

Financial Threats: China's defense budget has nearly doubled during the past eleven years, growing six percent annually on average, and they can likely support continued growth in defense spending for at least the next five to ten years with no threat of faltering over delayed appropriations or Continuing Resolutions. U.S. defense spending has seen around three percent growth over the same period, and the defense spending rates of many of our allies and partners are even lower, allowing China an opportunity to seize an advantage. China's real military budget is approximately equal to that of the United States today. From a purchasing power parity perspective, their buying power already exceeds ours. Over the last five years, U.S. defense spending has increased below the rate of inflation, essentially decreasing the effects of our funding and limiting our ability to keep pace with China's military growth and modernization.

Air Threats: The People's Liberation Army (PLA) fields the largest aviation force in the Indo-Pacific region and the third largest in the world. The PLA continues to upgrade and expand its combat forces, possessing over 1,900 total fighter aircraft. This number includes over 225 J-16s capable of carrying the PLA's very long-range air-to-air missile and an increasing number of fifth-generation J-20 stealth fighters. The PLA also unveiled two new sixth-generation fighters in December of 2024. The PLA has modernized its bomber force in parallel, introducing the H-6N and H-6K variants while also developing the new H-20 stealth strategic bomber. The H-6N can carry six land-attack cruise missiles, giving the PLA a long-range standoff precision strike capability that can reach targets in the second island chain from mainland China, and the H-6N provides a platform for the air component of China's nuclear triad. The last three years have seen several key milestones in China's comprehensive Unmanned Aircraft System (UAS) modernization, including the operational appearance of the Xianglong jet-powered UAS, the unveiling of the supersonic WZ-8 UAS, and a redesigned version of the GJ-11 stealth unmanned combat air vehicle. China has signaled its efforts in other next-generation technology, including swarming capabilities and a future multi-domain kill-web designed to target penetrating counterair by coordinating across aircraft, sensors, and missiles. Meanwhile, the PLA continues to develop its communications jamming, electronic countermeasures, aerial refueling, advanced airborne early warning and control, and airlift capabilities.

Space Threats: China is increasing its development of space capabilities to contest or deny access

to and operations in the space domain. China has a growing space inventory of over 1,060 satellites, half of which are intelligence sensors. China has developed—and will probably continue to develop—counterspace weapons targeting satellites in orbit to degrade and deny our space capabilities. These include direct-ascent anti-satellite missiles, co-orbital hunter-killer satellites, Electromagnetic Warfare (EW), directed-energy systems, and mobile jammers that can deny satellite communications and position, navigation, and timing (PNT). China is developing other sophisticated space-based capabilities, such as satellite inspection and repair, which could also function as weapons, and ground-based laser weapons of varying power levels to disrupt, degrade, or damage satellites, including a limited capability to employ laser systems against satellite sensors. By the mid- to late-2020s, China may field higher power systems to extend the threat to the structures of non-optical satellites. Taken together, China's space architecture does not just threaten our satellites, but it increasingly allows the PLA to better track, target, and strike our Joint Force on Earth.

Rocket Threats: The PLA's Rocket Force (PLARF) is advancing its long-term modernization plans to enhance its strategic deterrence capabilities. The PLARF has over 900 short-range ballistic missiles (SRBM) capable of reaching Taiwan, 400 ground-launched cruise missiles that can strike the entirety of the first island chain, 1,300 medium-range ballistic missiles (MRBM) reaching out to the second island chain, 500 intermediate-range ballistic missiles that can hit portions of Alaska and Australia, and over 400 intercontinental ballistic missiles capable of delivering nuclear weapons across the world. China's deployment of the DF-17 hypersonic glide vehicle (HGV)-armed MRBM will continue to transform the PLARF. The system may replace some older SRBM units and be used to strike foreign military bases and fleets in the Western Pacific. The DF-27 may have an HGV payload option in addition to conventional land-attack, anti-ship, and nuclear payloads. These threats place U.S. bases, allies, interests, and our Homeland in an increasing amount of danger.

Nuclear Threat: Over the next decade, China is projected to rapidly modernize, diversify, and expand its nuclear forces, changing our calculus as we face a state armed with a considerable suite of nuclear capabilities. China seeks a larger and more diverse nuclear force comprised of systems ranging from low-yield precision strike missiles to intercontinental ballistic missiles with multi-megaton yields. This range of capabilities provides China options at every rung of the escalation ladder. The DoD estimates that China has surpassed 600 operational nuclear warheads in its stockpile as of 2024 and that China will have over 1,000 operational nuclear warheads by 2030, much of which will be deployed at higher readiness levels.

Weapons of Mass Destruction (WMD) Threats: China's advancing development of dual-use technologies has raised treaty compliance concerns with both the Biological Weapons Convention and the Chemical Weapons Convention.

Cyber Threat: The PLA almost certainly is pursuing cyber capabilities to use in a crisis or conflict to degrade systems the U.S. military relies on for power projection. Beijing-linked cyber actors have targeted a wide range of government, critical infrastructure, and business networks in the United States and Japan, including those that support the U.S. and Japanese forces. In addition to critical infrastructure, Beijing-backed cyber actors continue to target U.S. defense organizations and contractors, likely for intelligence collection and cyberattack prepositioning. PLA texts

emphasize using cyber operations and other capabilities to degrade adversary Command and Control (C2), Intelligence, Surveillance, and Reconnaissance (ISR) weapon systems, and support nodes early in a conflict to seize information dominance.

All these capabilities continue to expand China's overall ability to project power, threatening American interests at home, in the Indo-Pacific, and throughout the world.

Other Threats: While we must keep pace with the growing military capabilities of China, we must also acknowledge the threats posed by Russia, Iran, North Korea, and other hostile regimes. Russia continues to place a strong emphasis on modernizing and developing strategic and theater-range nuclear weapons that will allow it to hold the U.S. Homeland at risk, particularly with hypersonic and other next-generation weapons. Russia is developing and deploying a range of counterspace systems, including surface-launched, air-launched, and orbital anti-satellite weapons, laser weapons, EW systems, and cyber capabilities that can threaten military and dual-use space assets. Russia is also developing a new satellite meant to carry a nuclear weapon as an anti-satellite capability. Both Iran and North Korea are also working to expand their military capabilities, focusing on conventional and unconventional military capabilities such as one-way attack drones, WMD, and other automated systems. Beyond these immediate threats, the United States must also deter conventional and unconventional threats from other regional actors and remain vigilant of potential Violent Extremist Organization threats. Additionally, an observed strategic alignment and partnerships between Russia, Iran, North Korea, and China creates dangerous synergy as an emerging anti-western coalition. The introduction of North Korean forces in the war against Ukraine is only one example of this emerging alignment. Finally, the character of war is rapidly changing with the introduction of increasingly automated systems, as seen in Ukraine and the Middle East.

The USAF and USSF cannot face these threats alone, and we will increasingly look for ways to collaborate with our allies and partners to share the security burden of advancing our mutual interests. One way the DAF will leverage support from our allies and partners is through foreign Research, Development, Test and Evaluation (RDT&E) and International Armaments Cooperation (IAC) agreements, which generate a fair share of funding for new collaborative capabilities. The DAF is currently negotiating 76 Air, Space, and Cyber IAC agreements worth a total value of $2.2 billion, equitably split among us and our foreign partners.

In light of these threats, the DAF is committed to conducting a Department-wide effort to revolutionize how we organize, train, and equip the USAF and USSF. This effort will enhance our ability to defend the Homeland, deter China, and defeat our adversaries should deterrence fail.

Meeting National Defense Priorities

Defend the Homeland

Defending the Homeland is the DAF's top priority. We do this every day by providing forces for aerospace control alert, nuclear readiness, global ISR, and space control missions, among many others. Airmen and Guardians are on constant alert against threats to our Nation. The DAF has recently prioritized operations along our **southern border** to support Presidential objectives and

protect our Homeland.

U.S. **nuclear readiness** continues to stand as a pillar of our country's overall deterrence posture, with the ultimate goal of protecting our Homeland. However, for the first time in history, the United States must be capable of simultaneously deterring two near-peer nuclear-armed adversaries. Both China and Russia's nuclear forces continue to expand and modernize. In the face of these threats, the B-21, Sentinel, and Long Range Standoff programs—as well as the modernized nuclear C3 that support these systems—are essential modernization steps in protecting our Homeland and maintaining a credible U.S. nuclear deterrent in the future.

The DAF is also committed to supporting the President's **Golden Dome for America**. The DAF will have a significant role in the Golden Dome project—contributing its unique capabilities of space-based missile warning and intercept, sensor fusion, C3, and Battle Management to the initiative, as well as bolstering air and cruise missile defense as part of a layered homeland defense architecture. We look forward to working with our Joint partners and Congress to make this vision a reality.

Cyber remains central to both the USAF and USSF, supporting Joint warfighters and providing forces for both offensive and defensive cyber operations that protect our Homeland and our interests. Two key parts of modernizing defensive cyber operations are Mission Assurance Cyber Coordination Element (MACCE) teams and the Integrated Defensive Cyberspace System (IDCS). MACCE teams provide wings persistent mission assurance on the DAF's most critical weapons systems through key cyber terrain mapping and sensor placement identification. IDCS provides a common operational ecosystem through its cyber defense sensors. Failure to fund MACCE or IDCS at the required level would adversely impact power projection platforms by leaving them vulnerable to the adversary. The DAF will continue to implement mitigations in addressing installation infrastructure cyber vulnerabilities identified in response to section 1650 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2017, preventing the potential of high-consequence cyber attacks. Additionally, the funding for offensive operations is focused on Cyber-Enabled Air Superiority to field and employ an integrated system that supports aircraft and long-range munitions survivability in highly contested environments. These cyber systems are vital to national defense in an increasingly digital world.

Deter China

The DAF seeks to deter China and the CCP from initiating hostilities. We will achieve this through our people, our readiness, and our posture within the U.S. Indo-Pacific Command (USINDOPACOM) region.

The DAF believes that **our people** are and will continue to be one of our Nation's key competitive advantages, and we are making significant investments in our personnel. This investment starts with aligning our forces to fill core missions, rethinking the structures and methods for training, and improving the quality of service and quality of life that helps us retain the talents of our Airmen and Guardians. A few examples of investing in our personnel are our commitment to renovate dormitories, revamping training programs to focus on warfighting, and increasing the availability of childcare. All these initiatives lead to improving individual readiness, which enables

warfighters to accomplish the mission. The strength of our entire service—our Airmen, Guardians, and civilians—is our unity and our shared purpose, and the DAF is committed to ensuring that our personnel have everything they need to succeed and win in today's strategic environment.

Our readiness remains essential to deter our adversaries. Individual readiness represents the human component of readiness, different from the health of the platforms and systems that enable Airmen and Guardians to fight. The DAF believes in maintaining the highest standards, rewarding initiative, and striving for excellence. Within the last year, the USAF and USSF have emphasized readiness standards by creating new inspections, assessments, and exercises geared toward preparing our Airmen and Guardians for the rigors of high-end combat. The DAF seeks to continue investing in these initiatives to ensure our warfighters are ready to defend our Nation and its interests.

Our posture within the USINDOPACOM region is a vital component of deterrence. We must demonstrate our ability to project power and communicate our resolve to protect our interests in the region. For this reason, the DAF is committed to conducting high-level operational exercises that will test our ability to deploy and operate from austere airfields, including RESOLUTE FORCES PACIFIC (REFORPAC), a theater-level exercise taking place this summer. However, in light of the increasing threats, we also need to increase the resiliency of our bases in the Pacific. We seek to achieve a more agile, resilient, and lethal posture throughout the entire theater.

Lastly, the best deterrent is a credible and lethal force capable of defeating our adversaries. Ultimately, we must have the means to deny or punish any adversary who dares attack our national interests. The following section covers how the DAF plans to achieve decisive victory should deterrence fail.

Defeat our Adversaries

The DAF faces an inflection point. We have been postured to fight the conflicts of the past, yet the new strategic environment demands that we prioritize preparing for future conflict with a high-low mix of assets that can defend against and defeat a peer threat. **The primary challenge the DAF faces today lies in creating the force we need to defeat our future adversaries while not undercutting our ability to fight tonight**. This reality means that the DAF must balance the need to sustain foundational accounts while also leading the way in modernization. Investing too heavily in immediate readiness risks devastating modernization. On the other hand, investing too heavily in modernization starves foundational readiness accounts, reducing the immediate deterrent value of the DAF. Doing so risks a readiness tailspin that is difficult—if not impossible—to recover from. In the coming years, we will need to constantly evaluate the balance between immediate, intermediate, and long-term investments as the strategic environment continues to evolve.

It is easy to focus our readiness and modernization discussions around specific platforms. However, platforms do not perform in a vacuum. The DAF recognizes **the need to develop interconnected, multi-platform systems of systems that operate within and across services** to create a robust and redundant, long-range kill web capable of delivering effects within the most contested environments. To achieve this goal, it is vital to simultaneously invest in multiple parts

of that kill web—everything from traditional platforms to the communications equipment, support systems, artificial intelligence (AI), and the weapons delivering specific effects. Through these investments, the DAF aims to establish a balanced, high-low mix of combat capabilities optimized to project airpower both from within and outside of adversary threat environments.

Lastly, the DAF cannot succeed without the help of our **allies and partners**. To strengthen and sustain deterrence and enable victory, should deterrence fail, we are prioritizing interoperability and enabling coalitions with enhanced capabilities, new operating concepts, and combined, collaborative force planning. Additionally, the USSF is pivoting to resilient architectures that balance Joint lethality, effectiveness, and survivability to deliver space capabilities the Nation, our allies, and our partners need to fight in a contested domain. As the world's greatest Air Force and Space Force, the DAF will continue to lead by fostering strong allied and partner coalitions while also reinforcing the ability of allies and partners to maintain air and space superiority within their individual spheres of influence. As we focus on our pacing threat, our allies and partners in the region must work alongside us and prioritize their own defense spending. Meanwhile, our allies and partners outside the USINDOPACOM region must pick up the responsibilities of maintaining air and space superiority in their respective spheres of influence to maintain a safe and secure world.

While we focus on rebuilding our USAF and USSF, we must also ensure we **streamline our force wherever possible**. The first area to consider is our infrastructure and inventories. Base Realignment and Closure has been politically unpalatable for decades. Still, excess infrastructure on existing bases forces us to invest critical dollars in areas that do not directly contribute to warfighting. For example, maintaining two under-utilized bases imposes duplicate costs on the personnel, facilities, and base operating support functions needed to sustain each base. By consolidating missions, we can also consolidate costs, potentially saving hundreds of millions of dollars annually per consolidation. Aging inventories and legacy systems with limited utility against our pacing threat act in the same way; they absorb precious resources while minimally supporting efforts to keep ahead of our adversaries. The DAF must prioritize the missions, platforms, and systems that directly contribute to deterring our pacing threat and eliminate those that do not align with our national security objectives. The second area to consider is high operational demand. Worldwide commitments and operational requirements significantly impact our force. Decades of enduring operational rotations have worn down our people and platforms, making us less prepared for a high-end conflict. Finally, the DAF recognizes its need and responsibility to pass our financial statement audit by 2028. We are accelerating our efforts—committing both people and resources—because passing an audit is an urgent priority toward our goal of rebuilding our military. With compliant financial statements, we gain the critical information and data integrity that yield greater insight toward optimizing our resources for higher warfighting priorities. While these are difficult and politically charged topics, we must be willing to discuss how to wisely invest the taxpayer's dollars while maintaining our commitment to serve the American people and their communities.

Achieving peace through strength will require a comprehensive and coordinated effort from the entire Joint Force by reviving our warrior ethos, rebuilding our military, and reestablishing deterrence. USAF and USSF programs needed to support these priorities are detailed for each DAF Military Service in the sections below.

UNITED STATES AIR FORCE

The U.S. Air Force is the most dominant Air Force in the history of the world. This dominance is not, however, maintained by inertia. We require a rigorous assessment of our initiatives—both new and old—to maintain our qualitative advantage. Having the right force structure is paramount in today's shifting and dynamic security landscape. Striking the right balance between exquisite and low-cost capabilities, informed by the tactical realities of the 21st-century battlefield, is a necessity. Modernization, therefore, means fielding a collection of assets of all kinds that provide unique dilemmas for adversaries—matching capabilities to threats—while keeping the USAF on the right side of the cost curve. We aim to create a nimble, affordable force designed to asymmetrically deny our adversary at every point along the spectrum of conflict. We will continue to be the world's best example of speed, agility, and lethality, and we will do it at a price point that is not exorbitant. The Joint Team and our Nation rely upon us to do so.

The FY26 USAF budget request is devoted to reviving our warrior ethos, rebuilding our military, and reestablishing deterrence. Our Nation's Airmen deserve the best training, weapons, and equipment so they can fly, fight, win—anytime, anywhere. Modern warfare affords no sanctuary. Our Airmen will be required to fight and launch sorties under fire and from austere locations, and our stateside units will need to defend their bases. Rebuilding our military, therefore, means many things—among them is funding a family of medium- and long-range penetrating airframes, modern munitions, survivable refueling, human-machine teaming, and a hardened warfighting network supported by a robust logistics chain. Reestablishing deterrence means backing these elements with a responsive, modern nuclear force and large-scale, challenging exercises that demonstrate top-tier coordination, agility, and lethality.

AIR FORCE'S ROLE IN REVIVING OUR WARRIOR ETHOS

The USAF stands poised on the edge of a new era. We will foster an unyielding spirit of courage, peerless competence, and unwavering commitment in every Airman. Air dominance in the 21st century demands a force ready to confront the multifaceted and brutal challenges that warfare without sanctuary spaces provides. Reviving the warrior ethos means equipping our Airmen with the skills that this type of warfare demands, the unit-level training and resources to win in these environments, and the support systems at home that let them keep their heads in the fight while abroad. Only through sustained investments in our personnel can we realize the full potential of the world's greatest Air Force and guarantee America's continued leadership in an increasingly complex world.

Our commitment begins with **recruiting** the very best. The USAF is on track to meet its FY25 recruiting goals, a testament to the appeal of service. The new Air Force Accessions Center streamlines the overall process of identifying and cultivating our talent. The Delayed Entry Program boasts 13,000 recruits—a ten-year high—demonstrating the success of adapting entry requirements without compromising quality. We must address the current funding shortfall in the accessions and recruiting marketing budget to sustain this momentum. This shortfall directly impacts our ability to attract and inspire the next generation of Airmen.

Cultivating the Warrior Ethos extends beyond accessions and recruitment. It demands investing in cutting-edge **training** across all domains. We transformed the United States Air Force Academy into a crucible for developing leaders with an emphasis on realistic combat training that cultivates adaptability. It is critical to continue investing in physical development, warfighter priorities, and academic excellence. The reintroduction of Warrant Officers in cyber warfare and IT operations underscores our commitment to dominate the digital battlefield. Basic Military Training now culminates in PACER FORGE, a 72-hour combat exercise that emphasizes the Warrior Ethos and produces Airmen with the will to fight and the determination to win. Securing consistent funding is paramount to keep turning innovations like these into reality.

Furthermore, our service needs a comprehensive plan for **deploying** our warfighters into combat. Our Units of Action force structure will contain Combat Wings and Institutional Wings. The structure of these units is a decided step up in performance over their crowd-sourced predecessors. Their adaptable structure ensures the agile and lethal deployment of airpower in response to a wide range of global threats while allowing our Airmen to simultaneously maintain their focus on defending our Homeland.

Lastly, our service must commit to **supporting** our Airmen and their families. A warrior fights better knowing that his or her home and family are secure while he or she executes the mission. Reducing childcare waitlists by 45% (from October 2023 through October 2024) is a significant achievement, but sustaining this progress requires consistent funding for on-base childcare options, subsidies, and staffing. Since FY19, 13 newly funded Child Development Center projects will create 1,800 new childcare slots. This is a good start, but we can do more. Our commitment to family housing remains strong, with $550 million allocated for FY24-FY25, but we need continual funding to sustain safe living facilities for our Airmen. We are also committed to Military Construction and Facilities Sustainment, Restoration, and Modernization (FSRM). Our planned FSRM investment is the largest investment in dormitories in over a decade. This is a step in the right direction, but we need on-time, consistent, sustained funding to ensure our Airmen have access to safe living facilities.

AIR FORCE'S ROLE IN REBUILDING OUR MILITARY

Rebuilding our Air Force starts with our strategy. At the end of the Cold War, the USAF was purpose-built for a specific theory of victory—to defeat a Soviet threat through superior penetrating Offensive Counter Air and quickly achieving theater-wide air superiority as an enabler to further Joint Operations. The capabilities that enabled this strategy were not an accident; it took years of planning and investment to make them a reality. Since that time, changes to our strategy and capabilities have been incremental, not transformational. We still operate many of the same platforms and rely on a similar path to victory. However, our adversaries spent the last three decades learning how to dismantle and defeat that strategy. They developed new platforms, weapons, and defenses that specifically counter our tactics and target our vulnerabilities. As a result, the strategy that has bought us air dominance for a generation is increasingly put at risk. We must make a generational shift to stay ahead of our competitors.

That shift starts with a new **Force Design**—one that provides a balanced mix of high-end and low-end capabilities, and options across geographies, timelines, and threat depth. Each element targets

our adversary in different ways, generating specific capabilities to match and counter the threats we face. However, this Force Design will take time and intentional investment, just as it did at the end of the Cold War. USAF Force Design describes a future Air Force capable of responding to not only the pacing threat but also across contingency and future uncertainty across the spectrum of threat densities. We will prioritize the systems, capabilities, and processes that support this goal above legacy programs with less utility.

As we transform our force, we face the challenge of **balancing modernization with current readiness**. This tension has been out of balance over the last few years, underfunding our foundational readiness accounts, and we seek to correct this trend in FY26. Our Flying Hour Program (FHP) is one example of this tension. Over the last few years, we have funded our FHP to executable levels that our airframes and personnel can realistically support. Regardless, we have still consistently under-executed our total programed flying hours and failed to meet minimum Ready Aircrew Program (RAP) training requirements. However, increasing FHP alone cannot solve this problem. The USAF needs to balance and align our Weapon System Sustainment (WSS), training capabilities, and operational requirements in conjunction with our FHP to regain our ability to meet RAP requirements. To this point, our WSS is the most significant readiness lever to fix, which will require stable, consistent, and long-term funding, coupled with a robust strategy for expanding our industrial base. This is crucial to arrest the decline in FHP and improve the effectiveness of our flying operations. The challenge is compounded by our aging fleet and rising costs as WSS and FHP portfolios struggle to maintain the same flying and availability rates. The specific tensions between modernization, recapitalization, and readiness in a variety of our platforms and portfolios will drive future priorities as we focus on the pacing threat.

Our **fighter aircraft** and the way we employ them will undergo a revolutionary transformation. As recently announced by President Trump, the F-47—the Next Generation Air Dominance (NGAD) family of systems' manned fighter platform—represents a monumental leap forward in securing America's air superiority for decades to come. This platform will be the most advanced, lethal, and adaptable fighter ever developed—designed to outpace, outmaneuver, and outmatch any adversary that dares to challenge our brave Airmen. The F-47 will also work directly with Collaborative Combat Aircraft (CCA), which represents a generational leap forward in autonomous systems and AI. Furthermore, developing and funding the entire NGAD family of systems will provide credible fighter capability and capacity at a lower cost and on a threat-relevant timeline. Additionally, the modular design architecture of CCAs will put systems before platforms, enabling the systems to rapidly evolve with the threat axis and receive new technologies, all while reducing overall system ownership costs. While developing the NGAD family of systems is a top priority, we must maintain and improve our current fighter platforms. F-35 TR-3 and Block 4 modernization efforts and additional investments in sustainment are required to secure F-35 relevance in the high-end fight. The F-15C/D divestments, F-15EX bed-downs, and F-15E modernization will continue to enable recapitalizations on an aging fleet with superior sensors, range, and payloads necessary to defend critical locations with out-sized long-range weapons. The F-16 program will continue to be relevant with the addition of critical fleet modernization upgrades to sustain its viability. Finally, the F-22 program requires RDT&E funding to support sensor enhancements, navigation systems, pylons, and communication systems.

While our **mobility fleet** remains effective, it is becoming increasingly vulnerable against our

pacing threat. The KC-46A will require organic depot standup, aircrew and training support equipment, and spares. It will also require resolving outstanding critical deficiencies needed to improve the KC-46 availability from around 50% to 80%. We are also working to recapitalize our KC-135 fleet to continue operations well into the future.

Special-mission aircraft will complement the USAF inventory and provide unique capabilities against our pacing threat. Over time, aging aircraft will be supplanted or replaced by modern, more adaptable options. We are committed to replacing the 35-year-old VC-25A with reliable air transport equipped with communications capability and security equal to that of the White House. We are working through modification delays attributed to supplier transition, manpower limitations, and wiring design completion. The ability to win high-end conflicts requires transitioning to connected, survivable platform investment and accepting short-term risks by divesting legacy ISR assets. The USAF plans to transition all U-2 capabilities to other reconnaissance aircraft post-divestment. The HH-60W, 60 of which have been delivered to date, is the only dedicated DoD Combat Search and Rescue helicopter and is expected to cap at 96 total vehicles by FY29. In FY26, we will complete the divestment of the HH-60G. The T-7A replaces Air Education and Training Command's aging T-38C fleet of 427 with 351 aircraft and associated ground-based simulators and trainers. The MQ-9A program will be maintained in FY26 with minimal upgrades for the remaining fleet, enhancing survivability into the near future.

Our **munitions portfolio** will be maintained by substantial investment in FY26, and we will build inventory to support today's air dominance while simultaneously investing in technology to counter future near-peer threats. Hypersonics will play a role in future warfare and have cemented their place in the overall USAF game plan via wargaming and analysis. Hypersonic Attack Cruise Missile is entering flight test, with a planned production start in FY27, and will remain a component of the USAF strategy now and in the foreseeable future. The Air-Launched Rapid Response Weapon completed its rapid prototyping in August 2024. The USAF will also pursue long-range, affordable mass weapons that can be replenished faster than expenditure rates. The field of propulsion, a domain in which we've always enjoyed supremacy, also demands attention. Efficient fuel consumption is another key area of focus, which is purely based on increasing mission effectiveness. Our energy optimization and resilience efforts are enabling aircraft to travel at greater range and spend longer time on station, enhancing our ability to project airpower in contested environments, which is especially critical in the USINDOPACOM theater. Recent efficiency efforts resulted in $222 million in cost avoidance from FY20 through FY23.

The USAF requires robust and survivable **Command and Control (C2) and Electromagnetic Spectrum (EMS) Operations** capabilities to operate in a contested environment. The DAF Battle Network is one part of this solution, enabling us to close Air Force and Joint priority kill chains and deliver decision advantage for operational C2 and battle management nodes. Our investments in Advanced Battle Management Systems and Air Operations Centers (AOCs) represent our flagship contributions to the DoD's broader Combined Joint All-Domain Command and Control initiative, supporting multiple combatant commands. Agile cryptographic solutions are a large part of our overall cyber security, requiring significant investment across all platforms. Coordinated EMS efforts will diminish adversary long-range kill chains and enhance friendly command, control, and operations.

Lastly, our **installation infrastructure** needs rebuilding and consolidation. Currently, the USAF carries significant excess infrastructure. Since the end of the Cold War, the USAF has reduced end strength by nearly 50%, but in that time, we have only reduced our infrastructure footprint by about 15%. Moreover, roughly half of all infrastructure across the USAF is in a moderate or high-risk condition, and much is vulnerable to cyber, man-made, and natural threats. In FY25, the Air Force spent approximately $900 million maintaining this excess. The USAF also acknowledges section 2680 from the FY25 NDAA, which sets a spending floor of 4% of plant replacement value annually on FSRM funding by 2030. This number is over double the USAF's current spending on FSRM. Coupled with our excess infrastructure, we will soon be forced to pay double for unneeded infrastructure that provides little value to the Nation. The USAF seeks to prioritize Maintenance & Repair funding to rebuild and consolidate infrastructure across the entire portfolio. However, inflation, construction, labor, and materials costs continue to reduce purchasing power.

AIR FORCE'S ROLE IN REESTABLISHING DETERRENCE

The USAF remains fully committed to providing the robust and credible **nuclear deterrent** needed for the President's vision of achieving peace through strength. The Air Force owns three-quarters of the United States' nuclear C3 system and two legs of the nuclear triad. The USAF's full-scope nuclear modernization program—which includes Sentinel intercontinental ballistic missiles, the B-21 bomber, Long Range Stand Off cruise missiles, and a revitalized B-52 bomber—will upgrade aging weapons systems to cover short-term needs while investing in next-generation technologies that provide nuclear security for the future. Additionally, a Survivable Airborne Operations Center (SAOC) is crucial to any future warfare endeavor. SAOC will provide an enduring node of the National Military Command System suited to eventually replace the E-4B, which is approaching the end of its service life in the 2030s.

Despite the program's delays, **Sentinel** remains essential to national security and the best path to ensure the United States maintains the nuclear triad's most responsive leg. While continuing to work with industry, the USAF is taking a disciplined, event-driven approach to reach a Milestone B decision. This includes ongoing requirements definition and decomposition, acquisition strategies, exploration of the design trade space, and implementation of necessary contract direction. Until the Sentinel Program is fully implemented, the Minuteman III requires funding to sustain the U.S.' intercontinental ballistic missile capability.

Our **bomber** fleet is undergoing significant upgrades to support both conventional and nuclear missions. The B-21 family of systems is progressing as planned, promising a cutting-edge platform. The B-21 will be a component of a larger family of systems that includes conventional long-range strike, including electronic attack, intelligence, surveillance and reconnaissance, and other manned and unmanned capabilities. We are on track with the government acquisition program's baseline for cost, schedule, and performance. The program is executing flight testing and has awarded the first two production lots. Our B-1B and B-2 fleets remain a credible strategic deterrent until they are divested and replaced by the B-21. The future Air Force will include a two-bomber force made up of the B-21 and the recapitalized B-52.

Beyond nuclear deterrence, the USAF must also demonstrate its ability to **execute Joint missions in contested environments**. In February 2025, our Air Force led more than 10,000 Joint and

allied troops, operating 175 aircraft from 15 locations as part of Exercise Bamboo Eagle 25-1. REFORPAC will forge a more lethal and resilient force. This summer's exercise will immerse Airmen and our partner nations in realistic, contested environments with degraded C2. It will force them to make distributed decision-making and stress-testing logistics while under fire. It will assess combat readiness, ensuring Airmen are equipped to prevail in any conflict. Funding REFORPAC is a direct investment in saving lives and ensuring mission success.

UNITED STATES SPACE FORCE

With every passing year, the space domain becomes more foundational to the American way of life. Of the 16 sectors of critical national infrastructure, satellites directly support and enable more than half. A third of crops are grown using weather data from space. Credit card terminals and digital transactions are timestamped with satellite signals. In so many ways—from the national power grid to the internet—the institutions that define day-to-day activities would simply not be possible without space-enabled services. The U.S. Space Force delivers all these things and more.

There is **no better bargain** in the DoD than the USSF. The American military is sized and built around the assumption that it will have unfettered access to spacepower. For about 3% of the FY25 defense budget, the Nation has purchased 100% of its missile warning and tracking capabilities, 100% of its PNT services, and 100% of its satellite communications throughput. 95% of U.S. Space Command's capability derives from the USSF.

With less than 0.08% of our national Gross Domestic Product, **the USSF secures and defends the single largest physical domain**, paving the way for a commercial space market estimated to grow to $1.8 trillion within the decade. As the smallest military branch with fewer than 9,800 uniformed Guardians—0.8% of the DoD's active-duty force—the USSF delivers astonishing asymmetric returns on investment. For example, in 2024, the USSF budgeted $2 billion for the operation and sustainment of the GPS constellation. According to a 2019 Department of Commerce report, the estimated cost of a GPS outage is $1 billion per day.

Investments in the USSF provide the personnel, equipment, and enterprise activities necessary to perform **three core functions**:

1) **Space Access**: This includes launch and range operations as well as the links, antennae, and networks needed to perform satellite telemetry, tracking, and control (TT&C).
2) **Global Mission Operations**: These are the critical enabling capabilities prerequisite for all Joint operations. They include missile warning, satellite communications, weather, space-based sensing and targeting, and PNT.
3) **Space Control**: These are the capabilities needed to protect U.S. space assets, defend the Joint Force from space-enabled attack, and deny adversary hostile uses of space. They include orbital warfare, electromagnetic warfare, and cyber warfare operations.

The USSF is committed to being a good steward of taxpayer dollars, and it will manage its people, processes, and budget to execute these functions in a constrained fiscal environment. Regardless, for each core function, significant challenges persist.

Space Access

A fundamental challenge to our Space Access capability is the aging and saturated Satellite Control Network. Since 2004, only 7 of the 14 total antennae have been upgraded, leaving 50% well beyond design life. Additionally, the support structure required to enable launch and range operations has not been rescoped to handle our tremendous increase in launch tempo.

2014 heralded a record-breaking number of launches: 18 at the Florida Spaceport and 4 at Vandenberg's complexes in California. In 2024, the USSF supported 93 launches on the Eastern Range and 47 on the Western Range, totaling 140 supported launches—a nearly 700% increase in operations tempo in just ten years. Neither the number of support personnel nor the sustainment of launch and range infrastructure has been able to keep pace with demands imposed by this rapid acceleration in Space Access activity. The need to rapidly reconstitute degraded or destroyed satellites—previously demonstrated by USSF VICTUS missions—presents an additional strain on routine launch resources.

The USSF is addressing these challenges in a variety of ways. First, we are fielding a modern Satellite Control Network architecture intended to replace our aging tracking stations and increase capacity to alleviate TT&C contact saturation. In FY26, we expect to field the first article for testing, and with a stable funding line, we plan to wholly replace this critical capability over the next few years. Second, the USSF is using new appropriations to perform vital maintenance and upgrades on our launch infrastructure, and we have a solid strategy to rapidly execute resources.

In addition to these enhancements, additional work is required to meet the increasing demands on the USSF's launch infrastructure. We look forward to working with Congress to increase these critical capabilities.

Global Mission Operations

Regarding Global Mission Operations, the USSF's most acute challenge is the urgent need to increase service resiliency in the face of growing counterspace threats. The PLA has already demonstrated direct-ascent anti-satellite capabilities. It has presented multiple ground-based laser weapons to disrupt, degrade, and damage satellite sensors. Furthermore, the PLA regularly exercises counter-SATCOM jammers across a range of frequencies, including our protected Extremely High Frequency systems.

The USSF is countering this challenge by shifting to more resilient architectures to perform critical functions like missile warning, nuclear C3, data transport, and PNT. However, time is of the essence, and our pace of fielding is dictated by the availability of near-term funding. **Failure to protect the capabilities encapsulated within Global Mission Operations puts every one of the Joint Force's military objectives at risk**.

Space Control

Unlike challenges we face in other core functions, the issue we face with Space Control is not one of modernization or adaptation but rather of creation. The requirement to contest and control the space domain was newly established with the formation of the USSF, and the service is still

working hard to build the infrastructure of Space Superiority from whole cloth.

While it will always be necessary to protect U.S. space capabilities, we can no longer assume it will be sufficient to meet our overarching military objectives. The PLA has fielded satellite-enabled, space-based targeting of terrestrial forces. This kill web has extended the range and accuracy of PLA weapons to hold U.S. forces at risk.

The USSF has the task of defeating this kill web and protecting the Joint and Combined Force from space-enabled attacks. However, advancing this new mission area also requires new resources. We cannot shift personnel or funding away from Space Access or Global Mission Operations without incurring impacts to other vital missions. While we have many programs in various stages of development intended to support this effort, **it is essential that we resource them at the level required to field meaningful capability in an operationally relevant timeline**.

SPACE FORCE'S ROLE IN REVIVING OUR WARRIOR ETHOS

The USSF is committed to building space-minded warfighters. Historically, the military approached space as a benign environment, and it trained its personnel accordingly. This created a culture that avoided risk and prioritized efficiency over combat effectiveness. The establishment of the USSF has completely upended this mindset with a new paradigm: **space is a warfighting domain**, and our Guardians stand ready to achieve Space Superiority and defeat any adversary.

To accelerate this seismic shift in culture, the USSF stood up a variety of initiatives to train and mold its personnel into **the elite space warfighting force of the future**. In July 2024, we committed the first synchronized cycle of our forces to Combatant Commanders via our Space Force Generation process. This model centers around expanded advanced training, preserving positional currency while building readiness for the high-end fight. Likewise, the USSF is in the process of establishing a component field command to serve as USSF Service Components for each combatant command. This effort will "normalize and integrate" spacepower as a key component of Joint Force success. Finally, in September 2024, we established the Officer Training Course, which will ground every new accession in an operational mindset, equipping them with the knowledge they need to prosecute combat in space. In these ways and more, the USSF is working to build a threat-oriented workforce that is tested and measured against the standard of a thinking adversary.

At present, the Space Force is exceeding its recruiting goals, allowing for hand-picked selection of promising Guardians with much-needed skillsets.

The challenge here is that we still lack appropriate training tools to reinforce and enhance readiness. We have therefore invested heavily in a modern space Operational Test and Training Infrastructure (OTTI), which will supply the ranges, simulators, and models our Guardians need to fight and win in the space domain, but this is a costly endeavor that spans the entire enterprise. Though we have a plan to deliver OTTI in increments over the coming years, on-time, stable funding would accelerate delivery of these crucial assets during a time of increasing competition in space.

The USSF is working to **balance its obligations to the Joint Force while developing its own essential Service capabilities**, but limited resources slow their fielding. For several years, we have prioritized the "fight tonight" mentality, delaying modernization and accepting risk tomorrow. In the case of Space Control, creation is a better word than modernization since the function is being wholly constructed from scratch. At present, we do not have the full set of capabilities necessary to secure the space domain at the scale we need to assure Joint Force success. These decisions have disproportionately impacted the USSF's ability to meet its obligations to the Nation.

SPACE FORCE'S ROLE IN REBUILDING OUR MILITARY

To equip and sustain its warfighters, **the USSF is working hard to reimagine the way it approaches space capability delivery**. Owing to the highly technical and complex nature of space operations, fully two-thirds of the USSF's budget is devoted to research, development, testing, and engineering. Moreover, the rapid innovation of the commercial space sector has presented the USSF with a range of opportunities. For well-understood missions with stable requirements, traditional processes may suffice. However, we are exploring accelerated pathways for demonstrations, prototypes, and experiments to speed novel capability to the battlefield.

To that end, the USSF is leveraging the expanded acquisition authorities granted by Congress to rebuild, acquire, and deliver capabilities to the warfighter more rapidly than we have in the past. In particular, Guardian acquirers are utilizing Other Transaction Authorities and contracts that reward innovation to deliver in years rather than decades. Additionally, we are capitalizing on the robust commercial space industry where we can by adapting innovative technologies to military use consistent with our force design. The USSF is actively pursuing hybrid architectures that incorporate commercial solutions as part of a resilient and adaptive network of warfighting capability.

For FY26, the USSF's single greatest priority remains building out the infrastructure of Space Control. The USSF is rapidly acquiring purpose-built technology, developing novel tactics, techniques, and procedures, and driving requirements for resiliency and domain awareness throughout the Service. Even so, 78% of the USSF's budget is dedicated to service delivery to the Joint Force, which leaves less than 22% for Space Control or any other critical new mission set that may be identified.

At the macroscale, the USSF is moving forward by charging a new 2-star Field Command to take responsibility for our force design: Space Futures Command. This organization would project the future operating environment and align capabilities to threats to ensure we overmatch our adversaries in, from, and to space. Documenting the force we need as the "Objective Force" will communicate a clear demand signal to our allies and partners, shaping industrial research and development, basic science and technology work, and collaborative investments. The end result will be clearly established space capability needs and requirements, enabling a transparent and effective feedback loop between the USSF and Industry.

SPACE FORCE'S ROLE IN REESTABLISHING DETERRENCE

As a domain that links and enables all others, **space—and therefore the USSF—is a linchpin in the American deterrence strategy**. For example, our satellites provide global and persistent missile warning and tracking around the globe, and we ensure the steady flow of nuclear C3 in spite of any barriers or interference. To enhance deterrence, we have worked hard to disaggregate and distribute our capabilities, thereby complicating the targeting calculus for any opposing force.

To that end, we have invested heavily in resilient and proliferated architectures that deny our adversaries the benefit of an attack in space. The Space Development Agency continues to field its Proliferated Warfighter Space Architecture, which represents a leap forward in this effort in a fraction of the time required for traditional space acquisitions programs. Lessons learned from these efforts are actively being flowed back into traditional acquisition pipelines.

Speaking more broadly, the USSF will play a central role in the **Golden Dome** for America. While still in the planning phase, we expect USSF capabilities to play a central role from sensor to shooter. Certainly, the USSF would be responsible for space-based interceptors, but our satellites will also provide much of the enabling capability required to make the operational concept feasible in terms of finding, fixing, and tracking inbound threats as well as in flowing data from one node to another. We will expand and integrate our existing capability into a holistic defense of the Homeland.

Another key component of deterrence is the ability to impose costs on our adversaries. For example, the USSF is pursuing Space-Based Sensing and Targeting. Specifically, the Space-Based Ground Moving Target Indicator program is a key capability that enables terrestrial target acquisition from space. To ensure success in a resource-constrained environment, the USSF is partnering with the National Geospatial Intelligence Agency, National Reconnaissance Office, National Security Agency, and others across the interagency. Once fielded, this capability will deliver moving target indicator data and synthetic aperture radar imagery to the warfighter on tactically relevant timelines, **closing long-range kill chains and enabling battle management and command and control at scale**.

Moreover, as part of its Space Control portfolio and to deny adversary hostile uses of space, the USSF continues to invest in the counter-command, control, computing, communications, cyber, intelligence, surveillance, reconnaissance, and targeting mission area.

CONCLUSION

The DAF is at an inflection point. We are engaged in a fast-paced race for technological superiority against a well-resourced strategic opponent. However, we simultaneously face personnel and platform challenges affecting our immediate readiness. We must balance our requirement to generate readiness and project power today with the imperative to rebuild our military and develop capabilities so that we can continue deterring our adversaries tomorrow. The DAF is focused on addressing the balance between these realities. We recognize both the need to cut wasteful spending and divest old systems while building key programs that will increase our

military's lethality and further our deterrence goals. We must do all this while maintaining our ability to develop people who possess a warrior spirit and can win a high-end conflict.

The DAF is aligned with the priorities of the Secretary of Defense under the direction of the President of the United States. We are focused on addressing mission requirements while instilling a warrior ethos in our people, rebuilding our military, and reestablishing deterrence. We are committed to defending the U.S. Homeland, deterring aggression and war across the world, and defeating our adversaries in battle if deterrence fails. We urge timely approval of the FY26 budget request to allow us to execute these missions and keep pace with the challenges facing the United States.

Mr. CALVERT. Thank you.

I now recognize General Allvin for your remarks.

SUMMARY STATEMENT OF GENERAL ALLVIN

General ALLVIN. Good afternoon, Chairman Calvert, Ranking Member McCollum, and Chairman Cole, and all the distinguished members of this subcommittee.

Today I am proud to represent the 677,000 total force airmen serving our Nation. I want to thank you for your support, not only for those airmen, but for the families as well.

I would like to open by expressing my immense pride in the exemplary performance of our airmen in securing our homeland and deployed worldwide.

From the Indo-Pacific to the Middle East to our southern border, they are working around the clock to deliver air power anytime, anywhere, to protect the U.S.

The strategic landscape has shifted dramatically. We now operate in a world where the PRC is not only rapidly modernizing its military, but doing so with a clear intent to coerce its neighbors and reshape the international order.

In parallel, we are seeing unprecedented threats to our homeland and a PRC nuclear breakout that demands unmatched nuclear deterrent capabilities.

These converging pressures make one thing clear: The U.S. must maintain air power dominance if we are to safeguard our security, deter aggression, and prevail in conflict.

This is not a future challenge. This is today's reality. To achieve peace through strength, we must adapt and evolve.

Reinforced by our most recent Interim National Defense Strategic Guidance, our Air Force has three enduring priorities.

First, we must defend the homeland. Air and missile threats are evolving both in speed and sophistication. The ability to detect, track, and defeat those threats in real time is foundational to our national defense, and it is non-negotiable.

Simultaneously, the U.S. Air Force provides a reliable and effective safe two-thirds of the nuclear deterrent as the backbone of strategic stability.

These priorities are paramount, cannot fail, and must be given equal weight.

Finally, we must project power globally, either independently or as part of the joint force, to rapidly respond anywhere and deter aggression and win. This is what makes our Air Force unique, and it is needed now more than ever.

To achieve these priorities, we are asking for sustained support for our modernization and the development of our new capabilities. The upcoming fiscal year 2026 budget request is designed to build a force aligned with today's operational realities as well as tomorrow's opportunities and threats.

This means preserving current readiness and optimizing our force design, tailored for contested environments, one that blends next-generation aircraft, autonomous systems, and resilient command and control.

Our modernization efforts to rebuild our military include the continued development of the F–47 and the integration of collaborative combat aircraft to expand the combat mass at lower costs.

We are also upgrading the F–35 and F–15 to keep pace with evolving threats. These platforms are critical not just to maintain parity, but to retain the edge our warfighters need. At the same time, we are capitalizing aging fleets essential to maintain power projection.

Our investment in nuclear modernization remains a top priority, with funding directed towards the Sentinel program, the B–21 Raider, and the revitalized B–52 fleet. These systems will anchor our strategic deterrent for decades to come.

Equally important is the investment in our airmen. We are enhancing recruiting, expanding training opportunities, and strengthening family support structures.

We suffered a recruiting setback due to the year-long continuing resolution and the subsequent reduction of nearly half a billion dollars in our military personnel account. This will result in our inability to fund the recruitment of 3,000 Americans who want to join our Air Force. We have got to do a better job on this.

We don't just need more Air Force. We need a more capable one. We need more tooth, less tail, a force that can deliver rapid, decisive blows and reposition quickly for the next fight.

That means divesting from aging systems and unused infrastructure while investing in platforms and people that enhance our warfighting capacity. "More" means more options for our Nation, enhanced homeland defense, strengthened deterrence, and unmatched power projection. It means a force that is strategically postured to deny adversaries.

No other service can match what the Air Force delivers—effects anywhere in the globe, on any scale, on minimal notice. Our airmen are the best the in the world, ready to win today and to build the enduring force for tomorrow.

With your support, we can assure the Air Force remains the cornerstone of American power through the 21st century.

Thank you for your time, and I look forward to your questions.

Mr. CALVERT. Thank you, General Allvin.

I now recognize General Saltzman for your remarks.

SUMMARY STATEMENT OF GENERAL SALTZMAN

General SALTZMAN. Chairman Calvert, Ranking Member McCollum, distinguished members of the committee, thank you for your continued support and the opportunity to testify on the Space Force's posture for fiscal year 2026.

Never before in our history has space been more critical to the future of our Nation. Satellites underpin our economic prosperity, enabling everything from transportation and communication to agriculture and finance.

Space has, likewise, become the backbone of our national security. Today's joint force is built around the assumption that space power will be there when needed.

GPS allows our forces to mass and maneuver fires. Satellite communications ensure global C2 of our operations. Satellites offer con-

stant vigilance on the battlefield, alerting America's forces of missile launches and adversary action.

All of these effects and more are provided by your U.S. Space Force.

With about three percent of the DOD budget, and less than one percent of the personnel, the Space Force is a great value proposition for the Department. For this tiny fraction of resources, you enable a service that has become indispensable for modern power projection.

However, despite the dramatic rise in space threats and the increasing importance of space over the last few budget cycles, the Space Force has experienced shrinking resources. This disconnect between value and investment creates risk for our Nation.

Further exacerbating the situation, the Space Force has been asked to accept new responsibilities and missions, forcing tough choices between delayed readiness, reduced capacity, or unaddressed vulnerabilities.

To illustrate my point, in the past three years the U.S. Space Force has been asked to take on new missions, like Ground, an air moving target indicator, adding new space control capabilities, and taking on additional responsibilities associated with modeling and simulation, force design analytics, and a three-fold increase in launch tempo at our national space ports, and new advanced training requirements.

These requirements have driven the need for increases in end strength, military construction projects, new education and training curriculum, and expanded information technology requirements.

The most recent addition to our mission set is the space-based technology associated with the Golden Dome program which will depend heavily on Space Force sensors, interceptors, data fusion, communication capabilities.

These are not modernization efforts or shifts from legacy missions. They represent new and emerging requirements for missions that have never been accomplished by a military space organization.

These new mission areas will require new and stable resources over time to deliver.

In fiscal year 2026, we will have developed the blueprints, laid the foundational groundwork to continue these efforts in earnest. If the resources are made available, the Space Force will be postured to use them effectively in pursuit of these critical priority missions.

Space gives us an incredible strategic advantage, but any advantage can become a vulnerability when held at risk.

In the future, defending the homeland will demand that we first defend the satellites that make that defense possible. To be successful in this effort, we must be able to control the space, protecting our capabilities in space, while denying an adversary the ability to use space against us.

That, in essence, is why you have a Space Force. It is the job of a military service to achieve superiority in the domain, and that is what we do for space.

But if we want a Space Force that can secure our Nation's interests in, from, and to space, we must resource it accordingly.

In pursuit of this mission imperative, my priorities have remained consistent: Build comprehensive domain awareness, deploy resilient mission architectures, and develop the capacity to hold an adversary's space assets at risk.

To enhance our situational awareness, we are investing in additional sensors, data fusion capabilities, and the networks to rapidly put this information into decisionmakers' hands.

To assure our missions are resilient to attack, we are investing in proliferated constellations, investing in launch infrastructure to ensure steady and cost-effective deployment of capabilities, and developing protective measures for our satellites and networks.

And finally, to hold adversaries' space assets at risk, we are investing in counterspace systems designed to defeat any attempt to use space capabilities to target our forces or our homeland.

Because of the work we have already done, additional resources given to the Space Force will enable accelerated delivery and expanded capacity in each of these areas.

Thank you for the opportunity to discuss the Space Force's fiscal year 2026 posture. Our guardians stand at the forefront of the newest warfighting domain. With the support of this committee, I am confident the Space Force will hold the line and advance our national advantage in space.

I look forward to your questions. Thank you.

TURNOVER IN PROGRAM MANAGEMENT

Mr. CALVERT. Thank you.

Now I will begin questions. Each member will be given 5 minutes to ask questions and answers. Your time will turn yellow with 1 minute remaining. I will recognize myself for the first round of questions.

In my opening statement, I highlighted testimony that was given in this very room, I think it was 1977, with Admiral Rickover, about his concerns about the rapid turnover in program management and lack of technical expertise that obviously wrecks havoc on complex technical problems.

I might just, as a note, Admiral Rickover was given, I think, an order in 1950 to put a nuclear reactor on a submarine, the Nautilus. He did it in 3 years and launched the submarine. Things were done a little bit quicker in those days.

Secretary Ashworth, to what extent do you believe Admiral Rickover is right that the churn in program management is a significant contributor to poor program performance?

Mr. ASHWORTH. Thank you for the question, Chairman.

So coming from the background that I am coming from, I have gotten to see this a lot over my time. I do feel it is very important that we have stability in program management, as well as the technical component of any program office as they are trying to deliver capability.

Those are the two fundamentals that need to work hand in hand to be able to understand the engineering that is involved in a design, in developing a system, and understanding the risks that need to be managed a lot of times in the technical area.

So very important to try to have stability in those fundamental jobs. I do believe that the Department has looked at this in the past. I do not know offhand—and I can get back to you on this—what our current policy is about trying to retain program managers for a length of time, especially on our major programs.

That has been looked at, and it may actually, during this acquisition review that is coming up, may be one of the things that we should look at again.

Mr. CALVERT. And the Nuclear Propulsion Program, I believe the admiral in charge is given 8 years as a tenure for the propulsion program. I always thought the program managers for some of these highly technical programs, should tie it to some kind of program milestone or deliverable, rather than just a set period of years.

Give them promotions and regular career advancement, but it is important to keep these folks in place. And the reason why—and I want to ask this to General Allvin and General Saltzman—whatever rationale there is to rotating personnel in and out of these frequently results ultimately in depriving the warfighter of the program that we are trying to fund.

We certainly saw that in the F–35. I was there at the beginning and it didn't quite work out the way we expected it to work out.

And now that we are starting down the road on the F-47 and, obviously, Golden Dome, two potentially very extremely technical and expensive programs, do you believe that we should change our attitude about program managers?

General ALLVIN. Mr. Chairman, I certainly do agree that we need to look at these things.

What I would offer is, first, I mean, obviously, Admiral Rickover, when you are talking about nuclear reactors, there are very few things that require more of a single depth of technical expertise.

I think as we do this, we need to understand how to merge the different parts. So you need to have the technical expertise and understand what all goes into the acquisition.

There is also a role for an operational relevance to be fed into this. Maybe not in nuclear reactors, because that science is that science, but when we look at the F–47 specifically, I believe we partially cracked the code on this, not only in ensuring that we have more stability in the program but we had operators in there from the beginning.

And when you do that, then you understand the operational impact of potential acquisition or technical decisions you might make. So I think there is a blending there.

And associated with that, rather than just say the acquisition professionals will stay there 10, 15, 20 years—you touched on it, Mr. Chairman—we have to understand how to promote and advance them in a way, and do it in an agile way, to where maybe it is not the same as our operational expertise.

So I think there is a way of blending those, but I wouldn't yield only to just having the technical expertise be preeminent without the operational impact and the operator in the technical mix from the beginning.

And so I think there is a blend that has to happen there, to your point, about not rotating through and having a continuity not only of the technical expertise but also of the operational relevance.

Mr. CALVERT. Yeah, I am not necessarily advocating to what Rickover. I think he was in charge of the Nuclear Propulsion Program for over 30 years. But certainly what we are doing with some of these highly technical programs has not worked, and so we need to determine what we may do in the future.

Ms. McCollum.

PRIORITIES IN FISCAL YEAR 2026

Ms. MCCOLLUM. Thank you, Mr. Chair.

So I want to lay out where we find ourselves as we wait for the full 2026 budget request. We didn't get our fiscal year 2025 work done on time. And that was no fault of the chairman of our full Appropriations Committee. He was there until the bitter end.

We should have negotiated those bills in December or the spring, but the Speaker of the House decided he had a different plan. So that left us with a full-year continuing resolution.

Fifty-two days after the President signed the CR into law, DOD and Congress still have not agreed on a spend plan. We have 4 months to go before the end of this fiscal year, and as the chairman pointed out, all we have in front of us is a skinny budget for next year.

So how do we plan for the future? We don't have the spend plan for the previous year. And we know the numbers in the skinny budget are based on what? Because of cuts and things that DOGE has done as well too.

We also hear rumors that the full budget request might not come until June. So how are we supposed to write and mark up bills under that timeline?

Clearly, this budget process is a total mess right now. The administration's skinny budget shows a freeze in top-line discretionary spending for defense, as I mentioned. And the Department wants to move—the Department is asking us to move between 50 and 60 billion dollars in funding around in the base budget, just move it, trust them.

So, gentlemen, the time is short, and we have very few details on your priorities for next year. So I would like you to talk about some of these projects you are asking for—the nuclear modernization, Sentinel, which is 80 percent over budget, the Collaborative Combat Aircraft program, Next Gen Air Dominance, space domain dominance, and then Golden Dome.

Now, General Saltzman, you just mentioned some things that you think Space Force is going to be working on, that is new to me, with some of the requirements that you might have.

We are also going to assume a 3.8 pay raise for the troops will be requested, and we don't know if the administration will fully fund the junior enlisted pay an additional $3.3 billion.

So Acting Secretary Ashworth, we need more details on the 2026 budget. Your posture statement talks about combating China, restoring the war ethos, but it lacks a plan for us to look at, to react to, and have hearings and discussion about.

So it seems like, to me, the Department wants to do everything all at once, and obviously that is not possible, and we don't know what the priorities for spending or the priorities for actually getting things done in what order.

So my question to you is—because I don't know, I haven't seen everything—do you expect the Air Force to be a donor or a receiver in this budget? And just exactly what do you think the top three priorities we should be focused on that you are going to be focused on in fiscal year 2026?

General Saltzman, the same question for Air Force. What are your three must-have priority programs?

And I am not trying to play stump the band. We just don't have any information, and we have to start having discussions amongst ourselves and then with our counterparts in the Senate.

Gentlemen.

Mr. ASHWORTH. So thank you for the question, Ranking Member.

So I will start by saying, the Department is trying to finish up the relook on the PB26 and get over the request as soon as we can. We are going through the final stages of that right now.

From an Air Force perspective, from a Department of the Air Force perspective, we have tried to do our best in this relook to make sure that we are aligned against the Interim National Strategic Guidance.

And so the big priorities that are laid out in that Interim National Defense Strategic Guidance are to start out with strategic deterrence, nuclear deterrence, homeland defense, all of those coupled.

And so if you unpack that a little bit, strategic deterrence and nuclear deterrence, B–21, Sentinel are going to be top on our list to be getting after and making sure that we are fully funding.

If you take a look at the homeland defense side, you are going to be taking a look at the capabilities that we already provide NORTHCOM to perform that mission. You are going to be taking a look at our operations on the southern border. And then you are going to be taking a look at Golden Dome.

The Department is working through the final stages of pulling together the concept and the final initial plan to take up to the Secretary of Defense on Golden Dome and then take over to the President for his chop.

Once the President gives it the thumbs-up, we will move into the more detailed planning stages. But you can think from that kind of a perspective that that Golden Dome is going to be a large systems-to-systems kind of a construct.

It will have space-sensing, space effectors. It will have air-sensing, air effectors, as well as ground-sensing and ground effectors. It all has to be knitted together too by a C2 and a battle management type of a structure.

So those are the big building blocks that the team is working with to try to construct to present to the President to get a thumbs-up on that.

And then the next layer down is deter China in the Indo-Pacific, and with that comes our entire force design mix in order to be able to counter that threat in that theater.

And you will hear things like NGAD, the Next Generation Air Dominance family of systems, which is comprised of the F–47 Collaborative Combat Aircraft and a government-owned reference architecture as we move forward. Those are the big ticket items.

FINANCIAL DECISIONS

Ms. MCCOLLUM. Thank you. I did read your testimony. But before the other generals respond, I don't know how to budget on a concept. I don't. I don't do that in my personal life. I am certainly not going to do it with the taxpayers' money. And I know you are trying to provide information, but you can see the quandary we are all in up here.

So from your list, you expect the Department of Defense then, I would say, to be a receiver in this budget, especially with Golden Dome in it, not a donor to the other services?

Mr. ASHWORTH. Yes. I can't say for sure at the end of the day who will be giving, who will be receiving. But we laid out the priorities, and I think the Air Force is in a good position to receive the budget that we need.

Ms. MCCOLLUM. Gentlemen?

General ALLVIN. The Secretary covered it very well.

So donor, receiver, those are going to be final decisions. I think we have made a very broad case. When we were directed to look at how we would prioritize some percentage of our budget to reprioritize to the President's priorities, we found that some of those priorities were very similar to things that we were already doing.

So when we did those, our United States Air Force said three things, and the first two are tied for first—homeland defense, threats in and through the air—and two-thirds of the nuclear triad.

So the Secretary said it. The things that I would assume that we would get, these would be our priorities. This is going to be Sentinel, once it is restructured, making sure that comes through, and all of the associated—the B–21, the B–52, the LRSO. Those keep the nuclear deterrent.

Second is Golden Dome. Whatever Golden Dome turns out to be, there are a few things we are pretty much sure we know.

Part of that has to be defense of the homeland from air and cruise missiles. And so that will be something that not only works for us in the homeland, but the United States Air Force is going to need to scale that overseas.

So those technologies, those capabilities, are not just going to be boutique for one part of the national security apparatus. So I believe those are going to apply both in the homeland and expeditionary.

So I would see the capabilities, as well as the command and control, the architecture that puts it all together, that enables us to sense, make sense, and act, those sort of things, I think, will be at the top of the priority list to enable those systems to work.

And then in the power projection, Secretary Ashworth talked about it as well. This is F–47. This is Collaborative Combat Aircraft. This is doing the counter-China strategy to be able to show that we can penetrate, clear the skies, and enable us to continue to project power into China.

So those would be the priorities we are looking for. I believe that there is a good place for the Air Force to be a receiver rather than a donor, but I also am not going to get in front of the administration.

General SALTZMAN. Thank you for the question. This is important; I agree with you. Accelerating proliferated constellations, this is what creates resiliency in our missile warning architecture and our data transport layer. It is critical to the joint fight.

Right now they can be easily held at risk by adversary action. The more we proliferate, the more that is a targeting problem. More money means I can deliver that proliferated constellation faster.

Second is counterspace capabilities. While we have invested in the technology associated with them, we haven't built them to the capacity where they can actually hold enough targets at risk.

So not only do we have to invest in the system, but we have to increase the capacity to actually meet the OPLAN requirements, so counterspace capabilities. And I am happy to follow up in a classified setting to give you more details on that.

And then lastly is the test and training infrastructure. This is the simulators, the ranges, the digital environment that allows us to test our equipment, make sure the new systems we are bringing on are effective, that our tactics can be validated in a simulated environment, and we give our operators the training they need to be successful.

Ms. MCCOLLUM. Thank you.

Thank you, Mr. Chair.

Mr. CALVERT. I thank the gentlelady.

Mr. Cole. Chairman Cole.

MAINTAIN AIR CAPABILITY

The CHAIRMAN. Thank you very much, Mr. Chairman.

Gentlemen, thank you.

And once again, I find myself in broad agreement with my friend, the ranking member, in terms of the process. We did not get, honestly, a bill done in the late post-election period and then again in March, and I regret that. There is plenty of blame to go around on both sides.

I also wish we were getting a full budget faster. I certainly don't hold any of you gentlemen responsible for that. And I have had good talks, honestly, with the administration on if you expect us to avoid this next year, speed would be helpful and just getting this committee the information it needs.

We have had some good cooperation on that. The skinny budget is helpful. But, obviously, particularly this committee, of all of them—subcommittee—needs the information.

The amount of responsibility on both sides of the aisle here for by far the biggest part of the budget is pretty awesome, and each and every one of these members needs the information to make constructive input and then tough decisions.

I have a couple of specific questions.

The retirement of the E–3 AWACS aircraft. I have Tinker Air Force Base in my district, so we have been following that very closely. I was very pleased to see the E–7 contract signed off in August.

Since we don't have a full budget request yet, we don't know exactly whether or not the 2026 expenditure on that will be adequate. I will tell you, I have been concerned—and, again, I put the blame

on Congress, not on the military. But we have done a lot of robbing Peter to pay Paul and come up short in mission capabilities, and this is one where I don't have to tell any of you gentlemen how old those airframes are and how much this is needed.

But we also have space assets that are projected to offer great capabilities to our warfighters. Some have been delivered. Some, obviously, in the process. We understand there is a lot of change there.

So I am going to ask, if I may, General Allvin and General Saltzman, I am interested in hearing your thoughts more about how the Department of the Air Force is thinking about pivoting some missions from aircraft to space, and do you agree that we will still need to maintain air capability up to and perhaps even after space is fully online?

General ALLVIN. Well, thank you, Mr. Chairman, for that. And, boy, you got that right about the E–3. We are using that, and it is continuously in demand.

The ability to actually command and control and manage the battle in real time has never gone away. And so even though we may not be in a major conflict, the ability of the E–3, degrading as it is, it still is under high demand.

And so when we have a fleet of 16 aircraft left with a mission-capable rate of about 37 percent, that is a dying platform that has diminishing manufacturing of supplies. They just aren't going to come. So this is not something that we can maybe put the paddles to and resuscitate.

To that point, the ability to sense, make sense, and act. There are great opportunities, as we look into space for more opportunities of ubiquitous coverage and those sort of things. The airborne layer is becoming more challenged to do because the adversary is pushing us further and further out.

However, we have to do more than just sense. We have to sense, make sense, and act. And right now the E–7 is the platform that delivers what the E–3 can with greater capability.

So as the Department of Defense looks through this architecture, whether it be Golden Dome or the architecture in the contested environment, it is going to be very important that the migration from air to space covers all of those, the sensing and the making sense and the directing.

And I will yield to my brother from Space on the things that are available in the near term with respect to sensing from space. But I think we just need to ensure that we are adequately covering all parts of that as we do the migration before we just go from one domain to another specifically.

General SALTZMAN. I think General Allvin said it great.

I would just add to it that space offers a lot of advantages, particularly in a contested environment. But it isn't necessarily optimized for the full spectrum of operations that your military is going to be asked to do.

And so I think you will get unanimous consent by all the chiefs when they say a mix of capabilities, to make sure that we can cover a full spectrum of operations and truly offer the Secretary of Defense and the President a full range of operations, is the ideal situation.

And so no one system is going to be perfectly optimized to take care of the full spectrum of ops. And so that is why I think you need a mix of systems.

The CHAIRMAN. So just to be very clear, as I understand it, you really think we need both and overlap those capabilities at least for a time? Is that correct?

General ALLVIN. I certainly believe we need the capabilities from whatever domain or platform or system it comes. We need to ensure we have the resilience to do the sensing, making sense of that, and acting.

ADDITIVE MANUFACTURING

The CHAIRMAN. Okay. Thank you.

Secretary Ashworth, just a quick concern. I know this committee is very focused on, frankly, the atrophy of our industrial base, the challenges that that presents to the military.

We are losing a lot of smaller manufacturers that made components for particularly some of our aging systems—and believe me, we have got a lot of aging systems at Tinker Air Force Base. And those men and women do an unbelievable job keeping 50-, 60-, 70-year-old airplanes combat ready and operational.

But getting the parts to maintain that or having, frankly, any predictability, when you tear one of those apart, what you are going to find, I mean, they are so far beyond any life span that was predicted or required.

It is really—I mean, these people are much more artisans than they are technicians and mechanics.

Give us some idea of how you are looking at additive manufacturing and other things it might produce and let us close some of the gap we have with some of our lost industrial capacity.

Mr. ASHWORTH. Thank you very much, Chairman, for that question. Appreciate it.

So the previous administration had laid out a National Defense Industrial Strategy on how to actually robust up our defense industrial base, and we are carrying that forward in implementation plans.

I am encouraged to see this administration has taken that up as well. You will see that in one of the executive orders that are talking about acquisition reform, and that includes getting after our industrial base to try to create a more robust, resilient defense industrial base.

When it comes to advanced manufacturing, additive manufacturing, we are looking at that across the board in the Department of the Air Force right now.

Some of those areas that you are talking about, trying to get after spare parts, trying to take a look at diminishing manufacturing sources, those are key areas where we need to continue to mature how we are trying to use advanced manufacturing in those areas to get after those issues.

But the list goes on and on and on, and we could share more offline with you, absolutely.

The CHAIRMAN. Yeah, I would appreciate that. I really do think—and I know Chairman Calvert has spent a lot of time thinking and looking at this—I think we have actually a couple of really unique

openings where you might be able to leapfrog pretty quickly and bring down the cost of parts, bring down the cost of munitions, bring up the supply of both.

So I very much would appreciate the open dialogue and the input from the Department on ways we can do that, because I don't think we can do business as normal, as usual, and get to where we need to be in a short period of time.

So, again, thank you for working on that.

With that, Mr. Chairman, I yield back.

Mr. CALVERT. I thank the gentleman.

I am going to remind Members to please talk directly into the mic so our communication team can write down your testimony.

Mr. Cuellar, you are recognized.

SOUTHERN BORDER

Mr. CUELLAR. Thank you, Mr. Chairman, Ranking Member.

Thank you all for being here.

I want to talk a little bit about the southern border if you don't mind. We just had the Secretary of Homeland, and the men and women in blue and green do a great job. But they are limited. And I think you all can bring another asset, and, again, without violating Mexico's sovereignty. I know both Presidents have been talking about that.

There are a lot of things that I think you all can do without violating Mexico's sovereignty. Whether it is in ISR, communication, targeting, capabilities, there are a lot of things that you can do.

And I can go down a list of U.S. Air Force assets or Space Force assets. I am not going to go into that, but I think you know which ones I am referring to.

But some of the things we are seeing is that you got the Mexican cartels that have a lot of money, and they don't have the same procurement rules that you have or Homeland has. For example, they will go to Best Buy and buy everything that is there and then just use that.

And as an example of how serious some of these things can be, we have been talking about drones, but just a couple weeks ago a Border Patrol drone in the Laredo Sector, my area, was taken down by cartel operators.

This means that the cartels now have technology that can take down law enforcement drones, which means that they have a continuous sight of what Border Patrol is doing, when they change shifts, everything, they got all that, while we are trying to go through some recruitment process.

Again, you all have—and I am looking at the list of assets that you all can use both from the U.S. Space Force assets and from the Air Force.

Can you talk a little bit about that and what you can do? Because we are trying to help Border Patrol, and now that the President wants the military—and I think there is a limited role for the military, but there is an important role for you all to play, and I welcome you. Tell us how you can help secure the southern border.

General ALLVIN. Well, thank you, Congressman Cuellar. I will speak very briefly from the Air Force side.

As you organize, train, and equip organization, we really yield to what the combatant commander, who has given the overall mission, looks to do.

And so we answer really operationally, through our AFNORTH commander, to General Guillot, NORTHCOM commander. So they have put together the plan and they have put together the objectives and all of the criteria, and then from them, they solicit and they request forces.

And so we respond to those demands. And so I really wouldn't want to get in front of the operational commander, who is General Guillot.

However, as you mentioned, you have a pretty long list of the forces available, and we have made those available, and there is a force management process to which they are requested and then we provide them.

And to date this is—homeland defense is number one, as I said. So we are certainly willing to provide what General Guillot needs, and so far we have been able to support his requests, as well as the requests of the USTRANSCOM commander if that actually becomes in the mobility portion of that.

But to date, we have been able to support USNORTHCOM, as well as the TRANSCOM requirements, with very minimal mitigatable risk to the rest of the global mission for our Air Force.

General SALTZMAN. I will just add to that that Space Force is still growing, still in establishment. We don't quite have service components in all the combatant commands. USNORTHCOM being responsible for the border, we do not have yet a service component in there.

But with the critical capabilities that we can provide, I wanted to make sure that that was integrated into the planning. And so we realigned another one of our components to make sure that they were supporting U.S. Northern Command.

So we have a three-star command now that handles all the space activities, handles requests for intelligence information, and that staff has been provided directly to General Guillot. So he has direct access to all the capabilities that we have to offer.

Mr. CUELLAR. And we have sat down already with General Guillot. I think he is going to be fantastic. As you know, we got NORTHCOM, you got SOUTHCOM, and how it is divided. But, again, from your experience, anything you can provide the general we really appreciate, because everybody talks about the southern border, but we really have the assets.

I mean, this thing about the drones where now the cartels are knocking down our Border Patrol, and we still haven't reacted to it because we got to go. I mean, those are some of the—I can go into a lot more specific issues, but I just wanted to highlight that one now.

Thank you, Mr. Chairman.

Mr. CALVERT. I thank the gentleman.

Mr. Rogers. Chairman Rogers.

STRATEGIC AIRLIFT

Mr. ROGERS. Thank you, Mr. Chairman.

Let me follow up briefly with Chairman Cole's line of questions.

Mr. Secretary, as China ramps up its aggression in the Indo-Pacific, many here are concerned about our ability to rapidly surge forces and material into that theater half a world away.

Strategic airlift, the backbone of that capability, frankly, is showing some signs of strain. Today our airlift fleet is half the size it was in the 1990s. Our C–5s and 17s aging, flying relentless tempos, and there is no production line to fall back on.

What is the Air Force plan to preserve and modernize our strategic airlift fleet when the backbone of that capability is aging, shrinking, and out of production, sir?

Mr. ASHWORTH. Thank you for the question, Congressman. So as we took a look at this, the global mobility remains a core mission of the Air Force, and it will always be a core mission of the Air Force as we move forward. And it is an amazing capability that we provide through our DOD fleets augmented by civilian fleets as well through the CRAF.

And so what we are doing right now is we are following the normal process and trying to understand the future threat, trying to understand the demand, and then put it through a capabilities-based assessment that will examine all of that and try to determine what exactly the capability gaps that we need—that we are going to need to close in the future. From that point, then we are going follow on into an analysis of alternatives, which is then going to narrow it down for the acquisition world as to what we should really be pursuing as our next-generation airlift.

Mr. ROGERS. General Allvin, does this year's budget meaningfully move the needle on maintaining global mobility and lift capacity, or are we simply managing the decline of a critical capability?

General ALLVIN. Well, thank you, Congressman. I have to tell you, first of all, it hurt my heart a little bit when you talked about the C–17. I was one of the early test pilots on the C–17. So I wrote down that it is aging, shrinking, and less productive, and I thought, I wonder if that reflects on myself as well. But I love that aircraft, and it has been used quite a bit because it is an amazing platform, as are the airmen who operate it. So I have been in contact with John Lamontagne, the Air Mobility Command commander, talking specifically about this, because while it is getting older, it still has a lot of life left in it, which means now is the time for us to work on it.

So this idea of next-generation airlift, we have the opportunity to augment with commercial lift, but as the Secretary mentioned, it is the Civil Reserve Air Fleet. That can handle certain kinds of cargo, but there are certain kinds of cargo that only the C–17 can carry into certain kinds of environments into which it is the only one that can carry it.

So looking at those environments into the future, I think your question about is it moving the needle, I think we are moving the intellectual needle right now, because in order to understand, to make the right investment, we need to understand what the options are for the future. And so I would say we are looking at it now, and it is not too early.

And if I might, this is also one of the areas where there are also other foreign customers who very much like the C–17, so there may be lots of opportunities here where our platform to move forward

that provides the capability not only for us but for our allies and partners. And so, once again, to answer your question, I think we are moving forward in the development of the conceptual, but we aren't breaking or bending metal right now and building new platforms.

Mr. ROGERS. Thank you, gentlemen.

Mr. CALVERT. Thank you.

Mr. Case.

FUNDING TABLES

Mr. CASE. Thank you, Chair.

Secretary Ashworth, when we passed the fiscal year 2025 continuing resolution for the rest of this year Congress also provided funding tables to the Department of Defense——

Mr. CALVERT. Is your mic on?

Mr. CASE. I am sorry.

Mr. CALVERT. Ed, is your mic on?

Mr. CASE. Yes. Congress also provided funding tables to the Department of Defense setting forth our expectations and instructions on how to spend that money. Are you following those funding tables? Is there any exception to your following the funding tables?

Mr. ASHWORTH. I am aware that we provided the spend plans as requested and tried to make the best adjustments that we could to make up for the difference between what we were expecting in the budget and a full appropriations compared to what we got through a full year continuing resolution, which was about $4.6 billion less.

And so those are the issues as we were moving through this process. By the way, we appreciate the additional flexibility that this committee and Congress put into that continuing resolution that made it a little bit more flexible than our regular continuing resolution, but we still had significant issues on trying to reconcile that $4.6 billion. And so when we provided our spend plan, we tried to make the adjustments within appropriation that we could to try to get after those issues.

Mr. CASE. Okay. I think I am going to take that as a good-faith effort to follow the funding tables. I just wanted to know of any unknown, undisclosed deviations from the funding tables.

Mr. ASHWORTH. No, not to my knowledge.

CURRENT BUDGET

Mr. CASE. Okay. Cool.

I just wanted to follow up on Ms. McCollum's questions, because I am also trying to make some sense in anticipation of actually making decisions on this budget for fiscal year 2026 of a lot of different things that are going on. So the first one is, we started out the beginning of this year with the instruction to all the services to at least come up with a scenario to reduce by 8 percent, okay. And presumably all those services went through that scenario.

Then what happened next is that you came out with a skinny budget, which was level funded, which would imply that nobody went through an 8 percent reduction, maybe internally. If I am not mistaken, there has been no allocation of the skinny budget to any of the services, so presumably the decision as to actually where you are going to allocate that skinny budget is still outstanding, and

that probably plays back into your evaluation of the 8 percent, I would assume.

But you also have a reconciliation package, which significantly increases the budget over and above the regular appropriations process, and I am not aware of that actually being broken out into services. I see that some of the services, for example, the army, who is going to be here tomorrow, are acting on the assumption that they do not have an increase in that budget, and are actually issuing orders right now to the force to—but, you know, to change various approaches to comply with that budget assumption.

So I guess the question really is, in all that fluidity, what is actually happening with your department, with the Space Force and the Air Force? Are you still very fluid as to what your final numbers are in fiscal year 2026, or have you narrowed it down? Are you starting to focus in on 8 percent savings possibilities, or is it going to be an up or what? Can you just get into a little bit more where you are right now.

Mr. ASHWORTH. So at this point in time, we have been continuing to work internal to the deliberations on exactly what you have been talking about. What is going to go into the final budget—and the budget as I understand is going to be two parts in our request. It is going to be a mandatory spending and discretionary spending, and so there will be an appropriations piece and a reconciliation piece as part of the request that we are making.

And so we are going through——

RECONCILIATION

Mr. CASE. Is there an allocation of the reconciliation as between the services?

Mr. ASHWORTH. I have not seen an allocation to us, but there is absolutely work going on within the building to allocate resources against one or the other as we move through this.

Mr. CASE. Okay. So if the reconciliation bill came before Congress tomorrow and, you know, had a request for that, what is it, $100-and-some-odd billion of extra money on the mandatory side through reconciliation, we would have trouble actually splitting that up right now? I mean, that is what I am interpreting you saying. We don't really——

Mr. ASHWORTH. My understanding, when you receive the budget from OMB, and that it comes through the Department, is that it will be broken out for you as to what is in the appropriation and what is in the reconciliation part of those bills.

Mr. CASE. Okay. And can you say right now—and if you can't, that is fine. Can you say what the net effect is for the Air Force? What kind of shooting target should we be anticipating here?

Mr. ASHWORTH. I cannot say right now before the budget is released.

Mr. CASE. Okay. Thank you.

Mr. CALVERT. I thank the gentleman.

Mr. Womack.

EXECUTION OF FISCAL YEAR 2026 APPROPRIATIONS

Mr. WOMACK. Yeah, thank you.

Thanks to the gentlemen for being here today as witnesses, and I am going to follow up on Mr. Case's remarks here in just a second.

But, General Allvin, thank you very much for your time the other day when we talked a little bit about a project in my district, the FMS mission for the F–35, and our allies and partners who are going to be rotating through Fort Smith, Arkansas, to see our world-class facilities and our world-class airspace. We are excited to have Germany, Singapore, Poland, Finland, Switzerland, Greece, and the Czech Republic in the years to come.

But in the meantime, Congress has to do its job, and our job, the job of this Appropriations Committee is to, you know, fund the discretionary side of government to include national defense. I am a little skeptical about the fact that we have partnered the reconciliation with the base defense bill. That could be problematic.

But I am curious, from your standpoint, what capabilities are threatened by the inability of Congress to actually execute an fiscal year 2026 appropriation bill on time? And how does this impact, you know, the core mission of your Air Force and our ability to project power and demonstrate dominance as we often have?

General ALLVIN. Well, Congressman, thanks for the question, and, also, I really appreciate the dialogue. As you know, we have our first two graduates coming up this week from Ebbing. And if I could share with the committee that——

Mr. WOMACK. Please do.

General ALLVIN. I talked to the Singapore Air Chief last week. He said, "We came looking for a place to train our F–35 pilots, and at Ebbing we found a home." So that speaks to the community. That speaks to our very capable installation, and we are looking for success into the future.

It is hard, Congressman, to nail down a specific program that may be impacted. It is the accumulation of all of it. It is the inability for predictability of the funding that enables us to have weapons system sustainment that year over year we can have the workforce predictability that will enable us to understand we can ingest a certain number of aircraft into depot maintenance that will allow the long-term readiness. So it is the accumulation of the lack of flexibility in funding as part of it to be able to respond to the fact that we don't have a predictability.

So if we don't have predictability through an appropriation, we would certainly be helped by having more flexibility as we adjust to whatever the new methodology is by which we get resources. I think, just in general, the lack of predictability makes it harder for—also for others maybe to rely on us, for industry to rely on us as that reliable partner to generate the innovation that Chairman Calvert has talked about and ingest that into our force.

So I think it is overall the lack of being a good, reliable partner. Now, we are not faultless in that either, but I think having the predictable appropriations to where outside industry, startups, innovative companies that want to come and be able to add to a new innovative Air Force that can adapt to disruptive technology and exploit that in the air domain, that I think is something that we are missing. It is an opportunity cost, I think, Congressman.

MAINTENANCE OF INFRASTRUCTURE

Mr. WOMACK. Speaking of opportunity cost, if I can piggyback on top of the budgeting issue, a recent article says that you are carrying about 20, 30 percent excess infrastructure. Now, that, along with the maintenance of that infrastructure, help this committee understand what opportunity costs are not being met because of that excess infrastructure?

General ALLVIN. Thank you, Congressman. And I have mentioned it, and I just would use this opportunity for clarifying. I am not—I appreciate that in the last NDAA there is an interest in ensuring that we have the facilities and the places where airmen live and work be quality and safe. It is the fact that our Air Force has reduced by some 40, 50 percent in the number of airmen and the number of platforms that we have lost over the last 30 years, but we have only lost 15 percent in number of installations.

So we are carrying 23 percent excess, we will call it vertical infrastructure, buildings and structures where we don't need to have that work space, and about 60 percent in some areas access pavement and ramps. So all of that goes against a bill with which we need to keep it up and running that we are not using. And if we are going to have to spend twice as much on that, that is not helping airmen, that is too much tail and not enough tooth.

So the opportunity cost is the ability to provide more actual combat capability. Now, I understand that it can be perceived as a BRAC is a terrible thing and will all go to our—it does not have to be a BRAC. I would love to work with Congress to see if there are ways we can incentivize rather than going piecemeal and having the wing commanders work with the local communities. Can we collectively incentivize opportunities for installations or things on Federal property where maybe Congress can help others maybe use that infrastructure and get it off our books, because then we can actually reapply those resources to actual combat capability.

Mr. WOMACK. Thank you. I yield back.

Mr. CALVERT. A point that Mr. Womack made that was brought up, nobody likes continuing resolutions around here, but I was talking to the Secretary of the Army this morning, and obviously we have got to get these budget submissions in and as rapidly as possible. I think the chairman wants us to get some of these bills done by the end of June. It is the middle of May right now, folks, and so I would hope that we can get some information here as soon as possible.

Mrs. Lee.

CREECH AIR FORCE BASE

Mrs. LEE of Nevada. Thank you, Mr. Chairman.

Thank you, Ranking Member.

And thank you all for being here.

General Allvin, it was nice chatting with you last week. We took some time to talk about the quality-of-life issues about the airmen that they are confronting at Creech Air Force Base, which is only going to be compounded by the addition of the 500-plus servicemembers hopefully as part of the collaborative combat aircraft coming to Creech.

And I just wanted to confirm that I can receive your commitment to follow up with my team within the next 4 months on the status of putting together any necessary documentation. My understanding is we need 1391s, some unfunded requirement documents that would allow me to advocate on behalf of Creech going forward.

General ALLVIN. Congresswoman, absolutely. And as a matter of fact, it is actually exciting what is going on at Creech, but your point is the right one. We need to make sure that while they are doing exciting work, these are airmen who are coming in a brand new experimental operation that are going to teach the rest of the Air Force how to operate, how to maintain, how to sustain our collaborative combat aircraft. So we need to make sure they are doing it in a great working environment.

And so the environmental impact studies, to ensure that we have the proper childcare, we talked about the healthcare availability, those sort of things, that is all part of that basing process that we will ensure we have the clear requirements and understand what the demand signal will be for the quality of life to support their quality of work.

Mrs. LEE of Nevada. Thank you. Yeah, just, you know, for the remainder of the committee, as we transition to unmanned aircraft being at the center of our defense, Nevada is critical but Creech in particular, and that base is really lacking in terms of support for airmen. And it really does take a toll on them having to travel for healthcare, childcare, housing, et cetera, so thank you for that commitment.

CIVILIAN WORKFORCE CUTS

I just want to—I have one more question. This is for Mr. Ashworth, the secretary. The Department of Defense is stated to target to reduce the civilian population of—or civilian employees 60,000 to 70,000 or 50,000, somewhere in that range. To date, this has been via the hiring freeze. Can you explain what that impact has been, and do you believe that you have the excess manpower to withstand these cuts?

Mr. ASHWORTH. So thank you for the question, Congresswoman. So as we are going through the execution of the presidential actions executive orders, we are trying to lane forward as much as we possibly can in implementing them, but we are trying to balance that along the way, right. Some of these are providing good opportunities. The DRP, or deferred resignation program, are providing opportunities for our folks to take advantage of it, but we are trying to be mindful of readiness and the mission as we go through those processes.

So we have been given some tools along the way to make exemptions, and we are trying to make the smart exemptions to balance that equation. I don't have any target specifically on how many, you know, billets that we really need to remove at the end of the day. What we have initiated as well is a look at our entire structure and go through a reorganization and an optimization of the structure. And what we plan to do is as we work through these processes is to reconcile both of those together looking for efficiencies as we are going through the restructure and marry those

up to the processes that we are already following as we lose people through some of these efforts.

Mrs. LEE of Nevada. Yeah. You know, I just honestly feel for you, because as the ranking member said, taking a hatchet versus a scalpel on top of our already—our pressure for recruitment and retainment, on top of modernizing. It really seems almost like an impossible task. And I would like for you to expand on, is there anything this body can be doing to help you achieve the goals that you have?

Mr. ASHWORTH. No. I think we are in good shape right now to continue to work through these processes all the way through the end. We will continue to maximize the use of exemptions to try to make sure that we are keeping our readiness and trying to keep our missions intact. But until I finish that exercise of trying to take a look at how we are going to optimize our organization, I won't have a clean picture as to where that leaves us in balancing those two variables together.

Mrs. LEE of Nevada. Thank you. I will yield.

Mr. CALVERT. I thank the gentlelady.

Mr. Aderholt.

SUSTAINED SPACE MANEUVER AND DYNAMIC SPACE OPERATIONS

Mr. ADERHOLT. Thank you, Mr. Chairman.

I just have a couple of questions. General Saltzman, back in April of 2023, U.S. Space Command outlined requirements for sustained space maneuver and dynamic space operations and set the target for an operational demonstration by 2026. Can you speak to as how the Space Force plans to meet the U.S. Space Command target for an operational demonstration of sustained space maneuver and dynamic space operations by that deadline?

General SALTZMAN. Yes, sir. Thank you. We have on contract a demonstration of a refueling shuttle, a propellant depot, and satellites we call Tetra-5 satellites. Tetra meaning they have arms, they have refueling arms. That demo is scheduled to launch in 2026. We think that will show a lot of positive results in terms of collecting the data on which of these types of capabilities, which of these types of technologies is most fruitful for the enduring mission. We think it will be very positive.

We are following that up with a second demo in 2027, which is actually five more different types of technologies associated with refueling on orbit. Again, the purpose is to collect the data, determine which ones are best, what standards we like, what interfaces are most productive so that we can continue to invest in that technology. So we are on track for 2026.

NATIONAL SECURITY SPACE LAUNCH

Mr. ADERHOLT. Okay. Thanks.

And with the certification of ULA's Vulcan rocket on March 26, we now have multiple viable space options for the all-important national security space launch mission. Can you talk a little bit about the importance of competition within space as a driver for both innovation and a source of resiliency.

General SALTZMAN. Well, I think I am preaching to the choir when I say competition is in the benefit of the government. It helps

drive innovation. It helps drive cost down. But from my perspective, from my seat, it also creates resiliency in the architecture. It is my job to make sure we have assured access to space. If I have multiple companies that can help us deliver capabilities on orbit, I feel more comfortable that we have resilient architecture to put that in place.

That is resiliency against any particular system that might have an anomaly where you would ground the system, we have alternates, we have backups. If a company has problems, we have alternates, we have backups. So the resiliency in the launch infrastructure is just as important as the competition driving the cost down is to me.

UNITED STATES SPACE COMMAND

Mr. ADERHOLT. Okay. Thank you.

Oh, and just let me, Secretary Ashworth, thank you for your service in this role as you—we look forward to continuing to work with you, but also ultimately with the secretary once confirmed or the next secretary is confirmed.

Given that this is an oversight hearing, I want to close by just bringing your attention to a persistent issue. And as you well know, the United States Space Command was established more than 6 years ago, and it has been basically homeless ever since, despite the Air Force has identified Redstone Arsenal in north Alabama as the preferred location back in January of 2021. And the service has yet to designate a permanent location, however.

I look forward to working with you and the incoming secretary to finalize the basing decision that was validated by the inspector general. In a budget-constrained environment, it is clear that Alabama is more cost effective, and we have the brainpower and the robust defense industry that is able, that is willing, and is ready to support Space Command. And I look forward to working with this administration to bring us back on track and support our guardians and warfighters in this critical domain, and so I thank you for that. I look forward to working with you, and I yield back.

Mr. CALVERT. I already thought they made a decision to move to Alabama. We are going to call it the Shelby Air Base.

Ms. Kaptur, you are recognized.

DEFENSE INDUSTRIAL BASE

Ms. KAPTUR. Thank you very much for your testimony today.

General Allvin, I have two questions for you, one for Secretary Ashworth and one for General Saltzman. The two questions are for the general. Recently, we read about the press reports, the revolution on the battlefield when the Ukrainians took down a Russian SU–27 with a drone. I am curious how you looked at that, and if you agree it was a revolution and why.

Secondly, I am wondering if you can describe to me, recently the President made a trip to Michigan and announced that we were going to have a new F–15EX fighter installation there. How will that relate to Ohio and the 180th Fighter Wing that I represent at our National Guard? Is there any connection? That is an F–16 unit. We tried to get F–35s, but they said we weren't close enough to a training base, so those are two questions.

And then for Secretary Ashworth, what are your thoughts, how do you think about the state of our Defense Industrial Base in this country and your critical workforce and production shortages that you face?

And, finally, of General Saltzman, when can we expect to receive a detailed budget related to our committee for 2026? You have got the issue with Space Force. I don't even know what Golden Dome is. Maybe you can explain that in a written reply. But when do you think that we would be able to get a budget through the Department?

So General Allvin first. Thank you.

General ALLVIN. Thank you, Congresswoman. So in the two questions, first of all, the drone shooting down an SU–27, I don't know that I would call it as much of a revolution as it is a wakeup call. We need to understand that there are different platforms on the battle space. And the manner in which we use the aircraft that we have, the manner in which we have our operational concepts for aerial warfare need to adapt to this new reality. So I think I wouldn't take it as that one thing changes everything, but it certainly reflects the disruptive technology that can find its way on to the battle space, and it requires our rapt attention to make sure that we are responding to it in all environments.

To the second, on the F–15EX, that was a presidential decision and that decision was in order to replace the fighter mission that was going away with the A–10. I do not see any impact on that with anything going on high on the 180th.

Ms. KAPTUR. Thank you very much.

Secretary Ashworth?

Mr. ASHWORTH. Okay. I think your question was around the Defense Industrial Base.

Ms. KAPTUR. How do you think about it?

Mr. ASHWORTH. Yeah. So it is constricted over time. Everybody knows that story for over the last decades, and so we need to continue to do what we can to continue to grow the Defense Industrial Base to try to make it more robust and resilient, because that effectively just is in our best interest, because we will grow competition and we will benefit from that in the government side.

In addition to that though, we have gotten brittle in certain parts of our Defense Industrial Base and we need to be very mindful of understanding what the supply chains look like, and so that we can target those areas that are truly national defense related so that we can make sure that we have additional suppliers in those areas as we move forward.

Ms. KAPTUR. And those would be domestic suppliers?

Mr. ASHWORTH. Preferably domestic suppliers, yes.

Ms. KAPTUR. Yes. Our region has suffered greatly from this, the industrial heartland of America, so I would urge you to look at the defense industrial provisions that are in the law right now and try to make them more robust as you move forward with your budget. Thank you very much.

And just one answer from General Saltzman.

General SALTZMAN. I wish I had the answer to when the budget was going to be available. I do not. I don't feel comfortable even saying, you know, guessing what the timeline might be. If it was

based on the number of meetings that we are having to try to get the budget in order, I would think it would be imminent. We are having a lot of discussions on the budget itself. But there is several wickets outside the Department of Defense that it would have to go through before it comes over.

But with regards to Golden Dome, I would just add, think about it not as a single system but a system of systems, and so you will see several different contributing capabilities under the umbrella of Golden Dome. So I think that is probably a better way to think about it as it comes over.

Ms. KAPTUR. Thank you very much.

Mr. CALVERT. I thank the gentlewoman.

Mr. Carter.

CAMOUFLAGE, CONCEALMENT, AND DECEPTION

Mr. CARTER. Well, thank you, Mr. Chairman.

General Allvin, pardon my voice, it is going away. The Air Force continues developing agile combat employment concepts for and in the INDOPACOM theater. I would like to ask you about a specific investment in capability being prioritized to improve camouflage, concealment, and deception. And in particular, can you walk us through the strategies you are using to enhance multiple sectoral signature management. This is a critical issue especially when it comes to survivability from our expeditionary forces that are in the Pacific.

I have also heard about deployable hangers that can support multi-special signal management. Are those capabilities ready to be fielded, and do you think these resources are things you need to get deployed quickly?

General ALLVIN. Congressman, I can answer the last question first. Yes.

Mr. CARTER. Yes.

General ALLVIN. These are things we definitely—as you mentioned, when people think historically of CC&D, camouflage, concealment, and deception, we think of, you know, things shaped like hangers or things shaped like the airplanes to fool the adversary. The point that you bring up is the important one. It is no longer just the physical deception and the physical camouflage and concealment.

Across the electromagnetic spectrum that is how more and more the adversaries are being able to identify our capabilities. So being able to manage our signals, confuse them with where they think it is something and it is actually something else, that is more critical. It is also very much more agile, too. So getting those fielded capabilities are absolutely critical.

They are not the only solution. We still do have to have the ability to hide from sight. We do also have under agile combat employment we have to have the ability to have some point defense, so when the missiles come in we have got to be able to kill them with something.

So all of those come together, but your point is the right one. The electromagnetic spectrum management has become more and more key to our ability to survive and operate in an agile way. We really look forward to—as they continue to mature, we also need to exer-

cise them and test them. And that is what we are also doing, big exercise this summer. But I couldn't agree more that those are the types of capabilities that will enhance our survival and make this agile combat employment a real thing.

Mr. CARTER. So basically you are ready to do it as you get it put together?

General ALLVIN. Absolutely. But to say it has got to be part of a family of systems to protect, but it is a key part of that family.

AIR FORCE RESERVE

Mr. CARTER. Yeah. I was very impressed by what they can do.

Also, I want to ask you about the fact that the—we are very aware of the fact that the Reserve component is asked to do much more for our Nation's defense. And with that said, we recently, with public comments by you and other Air Force leaders, stated we need to have a larger Air Force to defend our Nation and execute the National Defense Strategy.

How can the Air Force Reserve retain experienced pilots, maintainers, and combat support personnel to defend America, as well as meet the NSD requirements unless the Congress and Pentagon leaders provide the necessary amount of equipment and aircraft? Is the Air Force exploring options to equip the operational fighter units with sunsetting missions like the A–10 and with other airframes?

General ALLVIN. So, Congressman, that goes back to my—I do believe that more Air Force is better. And so in order to be able to do that, we have to ensure that when we do that we maintain the capability of having the deployability and the accessibility. I think what the Air Force Reserves and the National Guard offer is that experience, is that instant proficiency. And so making sure we equip all the Air Force with the modern capabilities that are required to deploy is going to be key. It really is about dollars.

I would love to be able to have the active force and the reserve force, because, as you mentioned, Congressman, this is not the Reserves of 30 years ago. They are operating with us. They are actually looking to do the same sort of organizational unit of action construct model that we are going to, so they can deploy just as rapidly as the active force. It really just is about dollars to be able to ensure we outfit everybody with the most modern kit and make sure the opportunity costs don't come with regret.

Mr. CARTER. Thank you.

Mr. CALVERT. Thank you, Judge.

Mr. Morelle.

CV–22 OSPREY CRASH

Mr. MORELLE. Yes. Thank you, Mr. Chair, and thank you to the ranking member for the hearing.

And, certainly, thank you to our witnesses for your service.

I want to begin, Secretary Ashworth and General Allvin, and take a moment to remember Major Terry Brayman from my district in Rochester, New York, who tragically lost his life in the CV–22 Osprey crash off the coast of Japan in November of 2023. I had the solemn honor of visiting Yokota Air Force Base and meeting with Colonel McElhaney 3 weeks ago where Major Brayman was

stationed, and I saw firsthand the strength and professionalism of the airmen from his unit who continue to serve and serve in his memory.

The platform itself has had some troubling safety record, and I understand that work is ongoing. But after multiple fatal incidents, fair to ask what changes are being made to the platform. So I wonder what specific actions the Air Force has taken to address known mechanical and design concerns, and how you are working to maintain confidence with the crew who fly these aircraft.

General ALLVIN. Well, Congressman, not only thank you for the question, but thank you for publicly calling out the family. It is easy for us to move on. We see a tragedy and off we go to the next thing, but it reminds us that while we are working on the next day's issue, those scars endure for the family and for the unit as well. So thank you for reminding us and being our conscience on that.

With respect to the CV–22 itself, I have ultimate confidence in our Air Force Special Operations Command Commander Lieutenant General Mike Conley working with the NAVAIR systems commander Admiral Chebi to ensure that we are finding the right material solutions. And in the proper gearbox issue, we are looking to purchase those and retrofit those on the platforms.

But let's take it from Gundam 22 until now. The Air Force Special Operations Command went down to the bear bones and looked at from air crew proficiency, because the Air Force uses a CV–22 different than the Marine Corps and the Navy do. And so because they are used for more special operations, infil and exfil operations, they require really more specialized expertise on the crew and more attention paid to the maintenance, so we needed to make sure we were doing everything possible.

So we have more confidence in our ability to deliberately account for everything that is going on in the maintenance and our crew proficiency, so part of that is just increasing confidence.

On the material side we are working with NAVAIR and getting those weapons systems back up to par so we can confidently use them in the way the special operations community needs them. So they continue to perform well, but it is an aircraft that has a unique capability in operating in dangerous environments.

Mr. MORELLE. Yeah.

I don't know, Mr. Secretary, if you had anything to add to that?

Mr. ASHWORTH. No. Just on that topic of the gearboxes, effectively what the problem is and what the root cause of the situation is, and we are very close to working with the Navy of putting a contract in place that will start the removal and the replacement of those gearbox that I think will actually happen this month or next, and then we will be at a pace of being able to remove and replace about three of those a month as we move forward.

AIR FORCE FLEET IN POLAR REGIONS

Mr. MORELLE. Well, I appreciate that very much.

If I might, Secretary, Stratton National Guard Base, the home of the 109th Airlift Wing, the only unit in the United States military, I believe, flying the LC–130H ski birds, which are critical to our national security operations and scientific research, both in the

Arctic and Antarctic, and the aircraft I think are over five decades old. I have had the chance to be on board one, constant need of maintenance, risky mission readiness and air crew safety.

And given the strategic importance of the polar operations and operational limitations of the LC–130Hs, can you just share with me the Air Force's long-term plan to fully recapitalize the fleet and ensure uninterrupted U.S. leadership in the polar regions?

Mr. ASHWORTH. Yes. Thank you, Congressman, for that question. So as I have taken a look at this, I am not familiar with that mission, but I would love to see it some day.

As we take a look at those aircraft, they are aging, but as of right now in a fiscally constrained environment we can't do too much for those aircraft themselves right now. But we are actually initiating the beginnings of the acquisition process to do that capabilities-based assessment for that entire area, and that will then inform us as to what the true need is, what the gaps are, and then how we can initiate a replacement into the future.

Mr. MORELLE. Well, I appreciate that, and I would love to continue to work with you and the Department. I know they are cannibalizing parts, and it has really put a strain on their ability to be successful, and I know what is a strategically important part of world and they are unique in their ability to fly to it.

So, thank you, Mr. Chair. I yield back.

MODIFIED VERSIONS OF THE OSPREY

Mr. CALVERT. Just a point on that, Major Onrath came from Riverside, California, so right outside of my congressional district. He was flying that V–22, the Osprey. I am just curious, since the issue has been brought up, obviously we have stopped production on the V–22. We are moving to the army program FLRAA. Do you envision the Air Force or other services buying into that program? Obviously we are going to have to retire the Ospreys eventually. Do you believe you will have modified versions going into the Air Force in special forces and Navy, Marines?

General ALLVIN. Chairman, that may be something we are going to need to work with with SOCOM. It certainly isn't a higher priority in our force design and in a budget constrained environment where we are thinking about——

Mr. CALVERT. I am saying long-term, do you think that would be the direction you might go?

General ALLVIN. I certainly think it is worth looking into. We don't have that on top of mind right now, but certainly it is something to look into.

Mr. CALVERT. I thank the gentleman. Thank him for the question.

Mr. Ellzey.

SIXTH GENERATION FIGHTERS

Mr. ELLZEY. Thank you, Mr. Chairman, Ranking Member.

Thank you all for being here.

I would like to start out by seconding Chairman Calvert's sentiments on the program managers needing long term. That is the way to solve this problem, at least in the short term. But additionally, until we supersede Goldwater-Nichols, until we scrub ITAR

and we fire a bunch of minions at the Pentagon, make the Pentagon a triangle, right now the acquisitions process is like going on a cross country with your family. You are going from Galveston to Dallas and you have to go through Houston, and you have got yourself unfortunately a minivan. And you have got your minivan. You have to stop through Houston, and every 5 minutes you have to stop for a minute at a stoplight. And at that stoplight there is a patrolman, and he says, I need $100 bucks, and you need to take that passenger.

So by the time you are out of Houston, you are overloaded, you are out of money, and you are broken, so you cancel the project. So we need a loop road around Houston. And in the near term as we watch our budgets come down relative to actual spending, and until we get to 5 percent of GDP, we need the OSD, the COCOMs, and the chief of staffs to be able to work together specifically on emerging technologies so that they can work faster on a block grant basis and get these emerging technologies out the door a heck of a lot faster.

So I was noticing—thank you all for being here. Your CVs are outstanding.

General Allvin, you are an astronautical engineer from Air Force. I mean, you are the poster child—poster boy, I guess I should say.

Secretary Ashworth, you are an electrical engineer, and that is just incredible.

And then somebody had fun at college, and it was you, and you went to study history at Boston and had a good time. And so I just thought that that was interesting that you are the Space Force commander and you went and studied history.

But I also want to point out that you two were missileers, an incredibly hard job. I wouldn't want to do it. I couldn't be capable of doing it. So thank you for doing that.

But I would also like to point out, General Saltzman, I don't know if it was intentional or not, but your profile photo makes you look like Buzz Lightyear, and I think it is absolutely appropriate.

General Allvin, thank you for taking the time to talk to me about the F–47 a while back and the need for future air superiority and for the Joint Force to have sixth-generation fighters. So I am—it is kind of a leading question, but would you say that the current mix of the fifth-gen F–35 across the Air Force, Navy, and Marine Corps provides a needed capability and important auctions for our COCOMs?

General ALLVIN. Yes, it does. And, of course, once we get to the Block 4 and all those capabilities that really unlock it into the future, it is going to be that much more capable. But we have got to get through TR-3 and Block 4 to really make it the platform it should be.

Mr. ELLZEY. Okay. Well, with that in mind, can you think of any reason why we shouldn't have a similar cross-service capability, gen six capability in the Navy?

General ALLVIN. I think to that, there are different requirements that the Navy would use it for. So this is specific, and I will say as much as I can at this classification level, but when you look at the outer mold line design, that is—well, you know, even the F–35 has a difference between As, Bs, and Cs, and those that launch

off of carriers have to have, you know, a more sturdy landing structure so they can go off the cat and come back to the carrier.

So there are some design differences, and when that comes to the high-level sophistication of sixth generation, one needs to look at the outer mold design differences and what that might provide for divergence capabilities. Having said, that the secret sauce of what we are doing going forward, and Chairman Calvert referenced the fact that maybe the F–35 wasn't the best way looking back on how we are doing things, but we put that together when we did. Now we own the government reference architecture. We own the mission systems. There is so much tech that is shared. There are so many of the systems that are shared between the Air Force and the Navy program, both of them moving forward, that those will, I think, always be common, and those will allow us to accelerate both programs a lot better. We were talking earlier about the Defense Industrial Base, allowing more to play in that because we own the government reference architecture. When it comes to the outer mold line, that will be different because of the different environment in which they operate.

Mr. ELLZEY. Got it. Okay.

Well, I think, for China, as we focus on China, we all have to recognize that the F–47 brings increased speed and increased range. It is going to get the Air Force and the fight in the INDOPACOM. The V–22 puts the Marines in the fight in the INDOPACOM region. FLORA puts the army in the fight, and without FLORA they are not in the fight in the INDOPACOM.

Likewise, no F/A–XX. The Navy is not in the fight because we have to out-stick the enemy, and we do that with a gen-six fighter. And until we get an improved tanker, which we absolutely must have in the INDOPACOM, we are limiting ourselves. And at no time in our Nation's history have we ever gone an advanced generation with one service and not the other.

So thank you for your answers. Thank you for being here, gentlemen. I yield back.

Mr. CALVERT. I thank the gentleman.

Mr. Fleischmann, you are next.

CHALLENGES WITH SENTINEL PROGRAM

Mr. FLEISCHMANN. Thank you, Mr. Chairman.

Thank you, Mr. Ashworth, General Allvin, and General Saltzman, for taking the time to come before us today. I would like the entire subcommittee to know that General Saltzman was kind enough to visit my hometown of Chattanooga last week to be the grand marshal of the longest running armed services parade in the United States, 76 years running, and as a first, for the first time, as we honored the Space Force.

So, General, you were a hit, and I thank you so much for that visit.

I have got some questions, first of all, challenges to the Sentinel program, dealing with the cost projections and the timeline of that ICBM program. As most of you all know, I am chairman of the Energy and Water Subcommittee of Appropriations. And NSA's Y–12 security complex is in my district, so I realized the highest priority

of this program. We have seen major delays and setbacks, so I am going to try to condense my questions.

Acting Secretary Ashworth, can you provide this committee with an update on the program's current status and what changes are being implemented to get the program schedule back on track and even pulled back to the left. And as a followup, we are modernizing all three legs of the triad, as well as our NC–3 and nuclear security enterprise. At the same time, the New START Treaty is set to end next year. How is the Air Force ensuring that we do not have a gap in our coverage during the period of growing strategic risk?

Mr. ASHWORTH. Thank you for the question, Congressman. So I want to just first state, the Department stands behind the nuclear deterrence and our nuclear modernization programs, and so that remains a commitment and a strong commitment.

The Sentinel program, Nunnu McCurdy'd, it did it, it had a critical Nunnu McCurdy breach last year. And so during that time, the Department goes through a very thorough review process of the entire program to make sure that it is still a national security value. We assess the requirements on that program. We assess options that we might be able to follow in actually doing that in a different way. And then we also take a look at the root causes that actually manifested into the breach itself. We came out of that and then followed the law, and we pulled that program back into its previous acquisition phase. So that is where the program is right now.

So what does the program do? First, it continues on with those elements in the design and development phase that will remain unaffected while we restructure the rest of the program to get after those root causes that cause the breach. And so think about that from the—the biggest piece of that is the missile itself will continue going through its design and development phase as we move forward.

The main contributors to the cost breach itself were the command-and-launch segment. Think about those as the LFs that house the missile and the launch control centers that command the launch and have our missileers in them. It is the construction and costs associated with those elements that really drove up the cost.

And so the program right now is reaching out to industry to understand how we might better construct a program on how to get after that particular segment. They have reached out collecting the information from industry, and by the end of the summer they should have collected enough information, analyzed it, and put it back together to see if we are going to stay with the current acquisition strategy or significantly change it. I imagine we are significantly going to change it. Based upon that strategy, we are going to be trying to pull that schedule left as we continue to march forward on the program.

TANKER FLEET

Mr. FLEISCHMANN. Thank you, sir.

In my remaining minute, the K–135 has been serviced for about 60 years, sir. The Air Force has now transitioned to the KC–46, which also includes important decisions on new basing requirements. This deals with our tanker fleet. Since I don't believe the projected tanker fleet over the next decade is sufficient to sustain

a major prolonged war in the Western Pacific, what would be the necessary number that we should be targeting, sir?

General ALLVIN. I will just say that that demand signal is derived through the TRANSCOM commander, U.S. transportation TRANSCOM commander who looks to the INDOPACOM war plan. And so they have set up the—they have their MCS, which is their mobility capability study, and that drives the number of tankers and number of strategic airlift. And so they are currently in the number—in the broad number about 465, so they are between the KC–46 and the KC–135 recapitalization. We are still driving towards that TRANSCOM derived number. And as we look further into the buy of the recapitalization, this is where the next-generation air refueling system study will tell us whether we need a new tanker all together or tankers that have better survivability mechanisms on them. So it really derives from the U.S. transportation command requirement.

Mr. FLEISCHMANN. Thank you, sir.

My time has expired. I will yield back.

Mr. CALVERT. Since Mr. Fleischmann brought up the KC–46, all the bugs have been worked out on the KC–46? It is working optimally?

General ALLVIN. Not optimally. We have five CAT–1 deficiency reports, two of them have to do with the remote visibility system. I was with the chairman of Boeing Defense a week ago to go over each one of them. One of them has to do with the mass train; one of them has to do with, sort of, the sticky, the stiff boom operator, the boom; and one of them has to do with the environmental control system. I am very much sitting next to the Air Mobility Command commander with the Boeing Defense CEO to go through each of those line by line. It is producing. It can refuel all receivers except for the A–10 and the E–7, because we just haven't tested against that. So it is capable. It is not optimal yet.

Mr. CALVERT. How long is that going to take before you get to where you need to be?

General ALLVIN. The latest estimate on the pacing item is the remote visualization system, which, again, it is operating. It is just not operating as we would expect it to. We are probably looking at another 18 months.

Mr. CALVERT. Okey-doke.

Mr. Valadao.

F–15EX

Mr. VALADAO. Thank you, Chairman.

Thank you, Secretary Ashworth, General Allvin, and General Saltzman for testifying before this committee today.

Secretary Ashworth and General Allvin, I want to raise urgent concerns about the F–15EX bed-down plan and the future of the 144th Fighter Wing in California. I know we have talked about this, and I know others are talking about it as well, but will the decision to base the F–15EX and Selfridge Air National Guard impact the Air National Guard's wings currently stated to receive new F–15EXes, including the 144th Fighter Wing?

Mr. ASHWORTH. I thank you for the question, Congressman, and thank you for the time yesterday.

So the President has made the decision to buy additional F–15EXes and to outfit Selfridge Air National Guard with those EXes to continue the fighter mission at Selfridge. Our next step in that process is to do the detailed planning on the implementation of exactly how we are going to perform that.

There will be a flow-out. We will do a detailed flow-out of where we are going to put F–15EXes after they are coming off the production line. And I can say to you right now that there is likely a downstream impact on some other Air National Guard units, including Fresno. But as we go through that process, I commit to you to say that we are going to mitigate. We are going to, first of all, reduce to the minimum amount of time that we possibly can what that delay in getting the EXes to Fresno would be, and then mitigate that as well, so that we try to make sure that we have got you the best 15–Cs and Ds to continue the mission.

Mr. VALADAO. Okay. And that was going to be my next question—one of my questions is, if there is a change in delivery schedule, which sounds like there possibly could be, does the Air Force commit to requesting the O&M needed to keep the current aircraft operational? Because it sounds like you might have something else in mind as well, or a possibility.

Mr. ASHWORTH. So we will do everything that we can to make sure that the missions stay whole as we move forward.

COUNTER DRONES

Mr. VALADAO. All right. Thank you.

This one is on counter drones. How is the Air Force ensuring the funding for emerging technologies like drones and counter drones systems is prioritized, especially after incidents like the unknown drone flying over Langley Air Force Base in NAS Norfolk over the last past few weeks?

Mr. ASHWORTH. So, Congressman, I understand that the Air Force has put together some rudimentary types of defensive capabilities, and we have initiated a program that will be moving out in 2026 as we get those dollars to make a more modular, open, and expandible type of a capability. And we are going to start to outfit our installations with that capability as we go.

You have probably heard from the previous administration of Replicator 2 types of initiatives to get after counter UAS. This administration maintains its concern with the counter UAS capabilities that we need to put forward, and you will see more and more of that as we get into the 2026 budget. I presume, when we deliver it that we are going to be trying to get after that threat.

ADVANCE SPACE SUPERIORITY

Mr. VALADAO. Thank you.

General Allvin, China is continuing to develop and refine claw-enabled satellites that could target our assets in GEO. What steps is the Space Force taking to advance technologies like rendezvous and proximity operations and docking and on-orbit servicing to counter this? And where do you see the greatest need for investment to maintain our space superiority?

General SALTZMAN. We have got real solid investment in the GSAT program, which is our current capability to do rendezvous

and proximity ops in GEO. We are expanding that to include other kinds of counterspace activities, and I am happy to follow up in a classified environment with you if we can. But the most important thing that we need to add to it is the space domain awareness that enables the rendezvous proximity ops. Can we see the target satellite, can we see where we are, can we manage the distances between them. You are talking 23,000 miles away. We have got to make sure we have good, exquisite sensors that can detect that and give us situational awareness we need to be effective.

RESILIENT PNT

Mr. VALADAO. All right. Thank you.

Just a real quick question. Can you provide us with an update on Space Force's deployment efforts to improve resilient positioning navigation and timing?

General SALTZMAN. Yes. Yeah, we are still working through what—we are shifting it from resilient GPS to resilient PNT. We are looking at all kinds of alternatives, and we have money in the budget for AltPNT programs and science and technology risk reduction.

Mr. VALADAO. All right. Well, thank you. And my time is just about expired, so appreciate the time, and I yield back.

Mr. CALVERT. I thank the gentleman.

Mr. Joyce.

DEFENSE INDUSTRIAL BASE

Mr. JOYCE. Thank you, Mr. Chairman. Apologize for being late to this meeting.

Acting Secretary Ashworth, we are carefully monitoring investments that countries like China are making to boost their defense production capacity——

Mr. CALVERT. You might want to bring your mic up, David. Okay. There you go.

Mr. JOYCE. I might want to turn it on, too, huh. I am really watching that technology, I am telling you.

Acting Secretary Ashworth, we are carefully monitoring investments that countries like China are making to boost their defense production capacity. There are concerns that our current Defense Industrial Base cannot meet the surge demand and will likely need the support of manufacturers outside the existing Defense Industrial Base in the future. Does the Air Force have a strategic plan to increase and retain the capabilities of nontraditional defense manufacturers to support the Air Force surge demand if needed, and would you require any additional resources or funding to develop those relationships and capabilities?

Mr. ASHWORTH. I thank you for that question, Congressman. So I think the Air Force is doing a great job in trying to expand the Defense Industrial Base. One of the elements that I will bring up is the next-generation air dominance family of systems. And General Allvin has also already brought up that we own a government reference architecture in that area, and that has really enabled us to grow the Defense Industrial Base in that area.

And you are seeing some of the nontraditionals that are starting to grow and become more of traditionals enter into that competition

for collaborative combat aircraft, for instance, right. And so I think we are doing the right thing. We are moving in the right direction. If we continue to follow the model that NGAD has set up for us, we need to try to replicate that in the future, and it is going to provide additional opportunities for those nontraditionals.

Mr. JOYCE. At the Youngstown base, unfortunately, we have watched C–130s having to be cannibalized to make—out of the eight, five are operating and three are sitting there in pieces and parts. So I know that it is tough to keep a reserve of all the parts that are dependent upon making the mission work.

CYBER RESILIENCE

Mr. JOYCE. General Saltzman, I wanted to go back to you. How is the Space Force working to build our cyber resilience into satellite command and control systems as threats continue to evolve?

General SALTZMAN. We are growing in that mission area pretty quickly. We have deployed two systems recently that allow us to monitor our networks—our mission networks. It takes a lot of time actually to map the cyber terrain and then telemeter it, put all of the right sensors in so that you can rapidly see if somebody is attacking the system.

We have taken care of missile warning as a mission area already, and we are going towards the GPS constellation next. And so we are stepping it out as we can, but it takes a while just to map that terrain, but we are taking steps as quickly as possible.

Mr. JOYCE. Thank you. Most of the questions I had otherwise have already been asked. I realize it is late, Chairman Calvert, so I will give you back the remaining time.

CLOSING COMMENTS

Mr. CALVERT. I thank the gentleman, and I appreciate your questions.

Ms. McCollum, do you have any closing comments?

Ms. MCCOLLUM. Well, I just want to thank the gentlemen for being here, and I want to thank the acting secretary for your professionalism, the courtesies you extended all of us and everything like that. I hope there is a role for you that continues in this administration should you choose to accept it.

Mr. Chair, I am going to ask, I am just going to list them really quick, some questions for the record, because a lot of it—I just want to put them officially out there—I kind of had in the opening statement. This one I did not.

The President has now halted bombing action towards the Houthis, but I would—I am going to be submitting a record to find out, you know, what the cost of this was, both in material and personnel, what we have been spending.

Workforce impacts, I think I touched on that, a little more detailed question.

The tariff question, that has to do with the most expensive aircraft in the world, the F–35. It looks like the administration is going to use something called a chapter 98. I want to understand how that works better.

Space launch availability, I know that that is a concern that Space Force has.

As was pointed out, you know, what is going on with safety measures with the Osprey, the trainer 7.

And then, Mr. Chair, I know you have lots of questions, as I do, on Sentinel, Golden Dome, and the timelines for Air Force One.

So thank you, gentlemen, for being here.

With that, Mr. Chair, I yield back.

Mr. CALVERT. I thank the gentlelady. Before we conclude, I want to thank all of you for your testimony and your answering our questions. There will be a number of questions that we will be submitting for the record.

Obviously you have a lot of challenges ahead of you, as the ranking member mentioned the Sentinel program. Obviously we have to get that back on track. We have got to get a plan.

Need a plan on Golden Dome, understand what the—you know, where we need to go, and this is going to be a large project. It seems every contractor in town, seems they are looking to get a piece of the action. So we need to know where we are going with this thing before we lose control.

And obviously we have a number of challenges that we need to get through and we will be working with you through all of them.

So with that, thank you, and we are adjourned.

[Whereupon, at 4:06 p.m., the subcommittee was adjourned.]

United States House
Committee on Appropriations
Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Ken **Calvert** (R-CA)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force
- General David W. Allvin, Chief of Staff, Department of the Air Force

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Question 1:
It was recently announced that the F-15EX will assume the A-10 mission at Selfridge Air National Guard Base. Please provide a detailed execution plan outlining how the Air Force intends to implement this transition, including anticipated delivery timelines?

Response 1:
The Air Force is reviewing the Presidential basing action and identifying infrastructure, training, and other requirements associated with basing 21 F-15EXs at Selfridge Air National Guard Base (ANGB), Michigan. The Air Force will then develop options to base those 21 F-15EXs at Selfridge and adjust the overall EX bed down plan, as needed. The Air Force is still assessing the extent to which other F-15EX recap locations will be affected or delayed.

Question 2:
Additionally, how will this decision impact the previously planned F-15EX deliveries to Fresno ANG and New Orleans ANG, which are currently scheduled to begin in 2028? Does the Air Force anticipate any delays to those delivery timelines as a result of the Selfridge decision?

Response 2:
The Air Force is reviewing the Presidential basing action and identifying infrastructure, training, and other requirements associated with basing 21 F-15EXs at Selfridge. The Air Force will then develop options to base those 21 F-15EXs at Selfridge and adjust the overall EX bed-down plan, as needed. We are still assessing the extent to which other F-15EX recap locations will be affected or delayed.

Question 3:
Lastly, how does the Air Force plan to ensure that both the Fresno and New Orleans fighter wings remain fully mission-capable and continue executing their NORTHCOM Alert and Homeland Defense responsibilities throughout this transition?

Response 3:
Fighter wings based at Naval Air Station Joint Reserve Base New Orleans, as well as those based at Fresno ANGB were early in the queue to recapitalize their Aerospace Control Alert mission as the aging F-15Cs were retired. The Air Force has mitigated risk in the F-15C fleet by aggregating what we call "platinum" Eagles, which represent the best of the remaining fleet, regardless of the planned F-15EX

basing at Selfridge. Air Force planners will use the consolidation of platinum Eagles as required when the basing timeline and operational decisions at Selfridge are finalized.

Question 4:
Please provide an update on CCA FMS. Describe the involvement of FMS partners with the USAF on the CCA program. What is the expected timeline for the first FMS CCA?

Response 4: The Department of the Air Force (DAF) began information exchange discussions with allies and partner nations at the first Collaborative Combat Aircraft (CCA) International Symposium in October 2024. A second international symposium occurred in July 2025. The scope of the symposiums is broader than FMS opportunities and includes other forms of international CCA cooperation, such as technological interoperability, architecture collaboration, and cooperative development. Engagements have been ongoing to ascertain partners' specific areas of interest. There are no current FMS cases for DAF CCA, and no Letters of Request have been received. Expected timeline for the first CCA FMS case cannot be projected.

United States House
Committee on Appropriations
Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Betty **McCollum** (D-MN)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force
- General David W. Allvin, Chief of Staff, Department of the Air Force
- General B. Chance Saltzman, Chief of Space Operations, United States Space Force

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Question 1:
FY26 Skinny Budget

The "skinny budget" shows a freeze in base defense discretionary spending.

The Department is rumored to be moving $40 and $60 billion within the base budget on the budget "relook". We only have four months to go before the end of the fiscal year. Time is short and we have little in front of us when it comes to FY26.

The "skinny budget" highlights the following when it comes to Air Force and Space Force priorities:

- Nuclear Modernization – including Sentinal
- the Collaborative Combat Aircraft program
- the Next Generation Air Dominance program
- and Space Dominance programs

Golden Dome poses a new requirement for the Air Force and other Services – the full costs are unknown.

DOD is incurring additional costs related to the Southern Border operations and in the Middle East against the Houthis – but we don't know how much.

There will be a 3.8% pay raise for the troops.

And it remains to be seen whether the Administration will continue to fund the junior enlisted pay raise that will be another $3.3 billion cost in FY26.

The posture statement talks about combatting China and restoring the warrior ethos - but without a plan. It seems like the Department wants to do everything all at once. That obviously is not possible, and we have few details on what your real FY26 priorities are.

Do you expect the Air Force to be a donor or a receiver in this budget and what are your top 3 priority programs to fund in FY26?

General Saltzman, same question for the Space Force – what are your 3 must have priority programs?

Response 1:
The Air Force is aligning investments to the administration's direction and prioritizing funding for capabilities that align with the Interim National Defense Strategic Guidance. We are also committed to the Defense Department's priorities of reviving the warrior ethos, rebuilding the military, and reestablishing deterrence. The President's priorities directly drive the Air Force's priority programs: nuclear deterrence (Sentinel, B-21 and B-52); Golden Dome (Air Force Aerospace Control Alert mission); and power projection (F-47 and CCA). Whether the Air Force is a donor or receiver will be part of the final budget decision. I look forward to working with the Defense committees to secure our Homeland, deter our adversaries, and defeat them if called upon.

The Space Force top three priorities for fiscal year 2026 include: 1) space-based programs supporting Golden Dome; 2) enhancing space control to support space superiority; and 3) improving our operational test and training infrastructure.

Question 2:
Major Programs with Major Uncertainty: Sentinel, Air Force One and Golden Dome

In my opening statement, I referenced several Air Force programs that have serious problems.

Sentinel costs are now estimated at $141 billion.

The program is still working through the Nunn-McCurdy process, and we need clarity before we continue to spend billions of dollars.

Golden Dome is a new requirement and Space Force will likely have a sizeable piece of the missile warning and tracking architecture.

General Saltzman, you have said it will be built in pieces. But we need to know if you will own it, and if not, who will.

This Committee needs more than a concept of a plan before we move forward with any funding.

President has also been quite vocal about his desire for a new Air Force One, but the replacement program has been well behind schedule.

These are major programs with significant national security implications.

These are also major programs where an undefined plan and lack of program management are costing precious time and money.

Acting Secretary Ashworth, the Air Force posture statement says that China's real military budget is roughly equal to that of the United States today.

But the United States defense budget is the highest of any nation.

It's the lack of program management at the Pentagon and lack of discipline among the defense contractors that is weighing down this budget.

Now that you have had your opportunity to do the relook through the budget, what can you tell us about how you are going to streamline the programs I mentioned, be more efficient, and do better by the taxpayer?

Response 2:
Golden Dome: The USSF (Space Force) will own the space-based capabilities (sensors, data transport and interceptors) associated with Golden Dome. The Space Force is prioritizing space-based interceptors as a key component of the broader Golden Dome ecosystem and strategically allocating investments to accelerate advancements for the overall missile warning and tracking layers which are vital to protecting the homeland.

Sentinel: The Air Force is focused on getting the new Milestone B right and is collaborating with industry to lead technical trades, cost and schedule reduction opportunities, and optimize the weapon system design to meet operational requirements. While construction of some facilities is underway, the Air Force is diligently working to restructure the Sentinel program and establish the new baseline schedule and costs for development, construction and deployment.

VC-25B: The Air Force is committed to the firm-fixed-price engineering and manufacturing development contract to design, modify, test, and deliver two VC-25B aircraft while actively pursuing options to accelerate the program schedule in coordination with commercial and government stakeholders. The VC-25B program continues to work through technical challenges associated with interior and wiring designs. Overall, the Air Force needs to replace the more than 35-year-old VC-25A aircraft to provide the President, staff, and guests with safe and reliable air transportation with the equivalent level of communications capability and security available in the White House.

Question 3:
Houthi Operations

Regarding our operations in Yemen, it's been reported that the operational costs have exceeded $1 billion and in recent weeks Houthi rebels have shot down 7 US Reaper drones worth $200 million. In addition, we lost an F-18 overboard a carrier during evasive maneuvers.

We need a better picture of the costs of this operation.

How many Air Force munitions have been used in the Houthi operation?

How many Air Force / Space Force personnel have been deployed to that operation, and are they receiving combat pay?

Response 3:
Over 50 types of USAF munitions have been expended in various quantities during Yemen operations between mid-March and mid-May of this year, at a cost of $188.3 million.

The Air Force deployed 1,250 additional personnel to support operations against the Houthis. These personnel augmented the Airmen and Guardians previously deployed to the USCENTCOM area of responsibility (AOR) to conduct ongoing missions throughout the region. Service members' eligibility for imminent danger pay (IDP) and hostile fire pay (FHP) benefits and entitlements while supporting operations against the Houthis in Yemen is determined by DoD guidelines.

Question 4:
Workforce Impacts of the Civilian Reductions through the Deferred Resignation (aka "buyout") Program

All the Services are currently implementing a second round of personnel buyouts and deferred retirements with the goal of reducing DoD personnel by 60,000 to 70,000 civilians.

As I mentioned in my opening statement, these individuals are the ones moving the contracts, and without them the job won't be getting done, unless you ask our service members to do double duty.

The Department has also suggested that involuntary measures may be employed if these voluntary buyout programs fail to reach the notional goals.

People within DoD and across the federal government fear for their jobs, and when they depart, so does their expertise.

Gentlemen, you understand the time it takes to identify, recruit and onboard key personnel to fill critical areas, and with the hiring freeze you are missing additional strategic opportunities as you lose talent.

Last year the Air Force had a proposal to reorganize and reoptimize for the China fight. Acting Secretary Ashworth and General Allvin, how do you propose to do so with fewer personnel?

General Saltzman we have had countless conversations about how to build your workforce in a smart way. What are the operational impacts for you?

Response 4:
The DAF is committed to reviving the warrior ethos of every Airman and Guardian. We seek to develop our people and generate readiness while honing the training and skills that give us a competitive advantage over our adversaries. Civilian roles have been integral to U.S. military operations from our nation's founding. Their talents directly enhance our overall mission and readiness.

Air Force:
The Air Force is focused on hiring, rewarding, and retaining top talent in positions that directly contribute to our warfighting readiness. Through strategic civilian workforce shaping and optimization, the Air Force cultivates a leaner, more agile, more warfighter-focused organization. By prioritizing resources and streamlining processes, we empower Airmen, enhance lethality and readiness, and reinforce the warrior ethos of unwavering mission focus, disciplined execution, and decisive action in the face of evolving threats. This commitment to efficiency and responsiveness ensures the Air Force maintains air dominance, providing the nation with a decisive advantage in today's battlespace.

Space Force:

The Space Force was created to be lean with civilians performing critical roles for space missions, so we act judiciously about civilian personnel cuts to mitigate their impact on mission readiness and warfighter requirements.

About a third of the Space Force is composed of civilian (5,474 as of January). As of July, the Space Force has seen a reduction of 442 (or 7.8% of civilians). With 351 acceptances for the second Deferred Resignation Program, we anticipate the Space Force will have a total reduction of 14% by the end of the fiscal year. Natural attrition and impacts of the hiring freeze are included into the overall reduction of 14%.

Exemptions for the Deferred Resignation Program and hiring freeze will be requested where necessary to ensure the Space Force retains civilians performing critical missions.

Question 5:
Tariff impacts

We export F-35s, and other countries have been rumored of cancelling buys in retaliation to tariffs. Thus far, we don't see that occurring, doing that but there is a concern that tariffs on supply-chain material inputs such as rare-earth elements, metals, and in particular aluminum from Canada could all be affected. In particular

We are a major importer of aluminum from Canada

While many tariffs are now on pause, we are treating our friends no better than some of our foes, and we are eroding the world's trust in the United States as an economic and strategic partner.

While the current lot buys are already on contract, I'm concerned about the future pricing for aircraft that were already on the rise.

Acting Secretary Ashworth and General Allvin, what are you hearing from industry and partners abroad with respect to supply chain and material costs?

General Saltzman, there are many exquisite raw materials and components for satellites. What categories concern you most?

Response 5:
The defense industrial base and our partners and allies have expressed concerns about risks of increased costs and supply chain disruptions. The United States needs a strong manufacturing and goods-producing ecosystem at home to support U.S. national security and our collective defense with partners and allies. We are working with industry partners to understand specific impacts to programs and supply chains, as well as to explore opportunities for new supplier relationships.

Space Force challenges are similar to those of other military services but are complicated by domain-specific factors. Our programs have identified a shortage of vendors and large quantities for propulsion systems and encryption devices; production issues with optical communication terminals; and potential inadequacy of battery and solar array availability. The availability of rare-earth elements such as

germanium for solar-panel production, radiation-hardened microelectronics, and hydrazine for propulsion is also concerning.

The Space Force's dependency on a limited supply of resources is occurring in a time of increasing demand from the commercial space sector on top of an enterprise-wide pivot toward proliferation of smaller satellites, which will likely stress space supply chains until additional sources materialize. The Space Force is actively addressing these issues by expanding its vendor base, exploring partnerships with other government space organizations, leveraging Defense Production Act Title III authorities when possible, and improving supply chain monitoring across the Force.

Question 6 (for General Saltzman):
Space Domain Awareness

There is broad agreement in the need for more space domain awareness and industry is offering many different solutions for coverage.

General Saltzman, what is the overarching strategy to prioritize how we grow that awareness, and what is the end state, or is there one?

Response 6:
There is no question industry's contribution to the Space Force's space domain awareness capacity is critical, and we have outlined our capability needs in our Commercial Space Strategy. Commercial capabilities are adding to – not replacing – the existing baseline architecture as a cost-effective way to try to keep up with the rapid growth on orbit. Our priorities, and ultimately the mix of organic DoD and commercial capabilities that contribute to our overall space domain awareness, will continue to be based on our warfighting priorities. Our end state is based on expanding and evolving the current and future architecture into a balanced multi-domain, multi-phenomenology network of integrated sensor layers with the ability to ingest and exploit huge volumes of data, provide actionable information to decision makers, and have resiliency through the full spectrum of competition and conflict.

Question 7 (for General Saltzman):
Space Launch Availability

In April, Space Force awarded Phase 3 contracts for National Security Space Launches to 3 providers – SpaceX, ULA and Blue Origin.

How does this allow us to meet the growing space demands at prices that meet the government's needs?

With the frequency of launch, how is the wear and tear on government facilities being managed?

Response 7:
The National Security Space Launch (NSSL) Phase 3 strategy ensures assured access to space for critical national security missions at affordable prices. This is achieved through a dual-lane approach:

• Lane 1 encourages new launch providers to enter the market by offering opportunities to compete for less complex, "commercial-like" missions. This expands the industrial base, increases competition, and

drives innovation. Currently, SpaceX, ULA, Blue Origin, Rocket Lab, and Stoke Space are participating in Lane 1. There are annual on-ramp opportunities for new entrant Lane 1 providers.

• Lane 2 guarantees access to space for our most demanding, "no-fail" missions using fully certified launch vehicles. By awarding firm fixed price (FFP) contracts to SpaceX, ULA, and Blue Origin, the Space Force increased competition and resilience compared to the previous contract. The FFP block-buy approach allows DoD to take advantage of economies of scale, saving an estimated $1.7 billion over the life of the contract (now through April 2033), compared with previous government estimates.

Both Lane 1 and Lane 2 use flexible contracting strategies (indefinite delivery, indefinite quantity and indefinite delivery requirement, respectively) to enable us to add emergent DoD missions to the launch manifest. This dual-lane strategy promotes a healthy and competitive launch market, provides resilience against potential disruptions (e.g., grounding, supply-chain issues, company failures), and incentivizes innovation in areas like higher launch rates and reusability. The NSSL Phase 3 approach delivers cost-effective launch solutions, achieving commercial-like prices for commercial-like missions and significant savings (over 50%) for missions with more complex, unique military requirements.

The increased pace of launches, driven primarily by commercial activity—national security space missions typically account for less than 10% of launches from Space Force spaceports—requires proactive management of our spaceport infrastructure. Federal law (10 U.S.C. 2273 and 2276) directs Space Force spaceports to support a strong launch infrastructure and maximize private sector use of DoD facilities. With the increasing frequency of launch, especially for commercial satellites, investment is required to increase the capacity of the Space Force spaceports to meet launch demand. Additionally, while Space Force spaceports have more than enough capacity for national security space launch missions, strategic investment is required to enhance resilience, which is critical for reliable and responsive National Security Space Launch.

To address this, the Space Force has launched the Spaceport of the Future initiative. This initiative developed, and continues to update, infrastructure roadmaps for each spaceport, identifying and prioritizing projects to improve resilience and address capacity limitations. In addition to the approximately $2 billion the Space Force planned for Spaceport of the Future projects through FY 2030, the One Big Beautiful Bill Act passed in July 2025, provides $500 million for critical investments to improve our national security space launch infrastructure. Additionally, the FY 2024 NDAA provided authority to charge launch service providers using Space Force launch sites for indirect costs, which is reinvested in spaceport infrastructure and services.

Continued, long-term investment in spaceport infrastructure is crucial for ensuring sustainable launch capability for all users.

Question 8:
How do we talk about Space: Space Superiority vs Weapons in Space.

There has been a noticeable shift in the tone from the Department about weapons in space.

On April 17, Space Force released a blueprint for defending our satellites but also being prepared to go on the offensive at adversarial systems to defend against space-based attacks.

This was entitled "SPACE WARFIGHTING: A Framework for Planners."

General Salzman, the Space Force seems to be using the "Space Superiority" term to mean be offensive as opposed to being technologically superior.

Further Space Command was discussing weapons in space during an April symposium.

How is this shift received by both our partners and strategic foes, and is this as intended?

Response 8:
The United States Space Force remains committed to the responsible and secure utilization of space. "Space Superiority" encompasses a comprehensive approach that prioritizes robust defensive measures, and the ability to deter aggression in the space domain. *Space Warfighting: A Framework for Planners* outlines an approach to defending our vital space assets, acknowledging the necessity of being prepared to deter and defend against space-enabled attacks against the joint force in all domains.

The United States maintains its inherent right to self-defense in space under international law. As potential adversaries develop space and counterspace capabilities, we must protect our critical infrastructure and deter aggression. Just as important, our Allies acknowledge that the preservation of the space domain is essential, and they should be prepared to take measures to deter and defend against space-based attacks, consistent with the international legal principles of proportionality and military necessity. We are committed to transparent communication with Allies regarding safe and responsible space operations.

Question 9:
V-22 Ospreys and Safety measures across air platforms for training (T-7)

Following the tragic Osprey accidents, I supported DoD's pause on the use of the Osprey until we could identify and fix root causes. Further, it is imperative that we get the T-7 program back on track to replace the T-38s because those are averaging 60 years old.

Recently the Department has announced the Ospreys won't return to operation until 2026.

DOD needs to prioritize safety and it's not something to rush.

In February there was the F-35 crash in Alaska and many of these incidents occur during training or exercises.

Acting Secretary Ashworth, what other protective measures are you instituting across various Air Force platforms to find and detect problems before they could become fatal?

Response 9:
Topline: Training programs are continually evaluated to ensure the most effective and safest environment possible while garnering the maximum benefit of realistic training to participants. We recently implemented the Integrating Risk and Readiness campaign to bolster the integration and application of risk management throughout the force. Our efforts will increase the use of tools to assess and manage risk while enhancing decision making on mitigation strategies at lower supervisory levels to enhance readiness, lethality, and combat capability.

In addition, the implementation of augmented and virtual reality simulations in aviation, maintenance, and vehicle operations provides trainees enhanced realism and a greater understanding of the risks associated with their assigned tasks. These technological innovations increase training effectiveness while reducing exposure to real-world hazards and risks inherent in military training.

Since November 2023, Naval Air Systems Command (NAVAIR) and Air Force Special Operations Command (AFSOC) have worked collaboratively to inspect, assess, and implement interim control measures related to training and additional flight restrictions to mitigate hazards during V-22 operations. Over the last year, AFSOC and NAVAIR independently conducted comprehensive reviews of their respective V-22 enterprises. The work done greatly informed the aforementioned efforts and modifications. The Air Force will continue to work closely with NAVAIR to implement material solutions to mitigate problems with propeller rotor gearboxes.

Across the DAF, our weapons systems undergo rigorous operational testing, inspection and depot-level maintenance cycles to ensure the safest operational platforms possible. We've implemented proactive safety programs, such as Military Flight Operations Quality Assurance, that analyze aircraft and aircrew performance data to identify potential problems. We have also implemented line operations safety audits that analyze threat and error management and normalized behavior during routine operations to determine corrective actions before a mishap occurs. Through the Air Force Combined Mishap Reduction System and Organizational Safety Assessment process, commanders use cultural and behavioral information to better understand organizational risk and behavior. These proactive programs aid in identifying problems and allow leaders to make risk-informed decisions to prevent mishaps and enable air power.

The safety of our Airmen and the complex weapons systems we ask them to operate is, and will continue to be, a top priority for the Department of the Air Force.

United States House
Committee on Appropriations
Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Dave **Joyce** (R-OH)

Witness(s) being Asked (if Multiple):

- General B. Chance Saltzman, Chief of Space Operations, United States Space Force

Question 1:
Cyber Threat Resilience

Given the increasing complexity and interconnectivity of satellite control networks, how is the Space Force approaching the challenge of ensuring resilience against cyber threats in both government and commercial space assets?

Response 1:
All Space Force systems, not just our Satellite Control Network, are increasingly complex and interconnected, which requires us to take multiple approaches to defending against cyber threats. We keep adversaries out of our systems through cryptographic modernization in partnership with the NSA, but that is not enough. If malign cyber actors gain access to our systems, then we will constrain their freedom of maneuver through cyber resilience by design, which includes Zero Trust architectures. Our Cyberspace Warfare Delta, Delta 6, —in coordination with USCYBERCOM—detects, monitors, and responds to these actions in our systems. The Defensive Cyber Operations for Space (DCO-S) program, which will integrate with all Space Force systems, equips this delta with state-of-the-art commercial cyber defense and big data analytics for integrated cyber defense. While the Space Force does not provide cyber defense of commercial systems, we have active lines of communication with certain companies through our Commercial Integration Cell; otherwise the private sector engages with organizations such as USCYBERCOM and DHS for information sharing and cooperation.

United States House
Committee on Appropriations
Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Chuck **Fleischmann** (R-TN)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force
- General David W. Allvin, Chief of Staff, Department of the Air Force
- General B. Chance Saltzman, Chief of Space Operations, United States Space Force

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Question 1 (for Acting Secretary Ashworth and General Allvin):
Challenges for the Sentinel Program

The scale of the PRC's nuclear buildup combined with the belligerence of Russia, makes the sustainment of a safe, reliable, and effective nuclear triad as strategically vital today as it has been at any point since the height of the Cold War.

However, we have seen major delays and setbacks in our efforts to recapitalize the land-based ICBMs. The Sentinel program has not seen the progress that we had hoped for.

Meanwhile, we are modernizing all three legs of the triad as well as our NC3 architecture, all at the same time.

Question: What changes are being implemented to get the Sentinel program back on track and even pulled back to the left? How is the Air Force ensuring we do not have a gap in our coverage during a period of growing strategic risk?

Response 1:
Nuclear deterrence remains one of the Department's most important missions, and nuclear modernization is a top departmental priority. Until the transition to the Sentinel program is made, the Air Force will sustain Minuteman III to ensure it remains a reliable and effective deterrent. The missileers and maintainers who operate and maintain the current system are the best in their business and will continue to execute the mission and maintain the highest levels of readiness as they have for the last 50 years.

The Sentinel program will update current ICBM capability and increase required accuracy, security, and reliability. It will improve the overall effectiveness of the land-leg of the Triad to meet the nation's needs to counter current and future strategic risks.

The Sentinel program is essential to ensure the Air Force remains best postured to address current and future threats. The Sentinel program is not "on hold;" the Air Force and industry continue to press forward with activities on portions of the weapon system such as utility corridors, the aerospace vehicle

equipment (the missile), and some military construction projects that are not dependent on restructure decisions.

The Air Force is focused on getting the new Milestone B right and is collaborating with industry to lead technical trades, cost and schedule reduction opportunities, and optimize the weapon system design to meet operational requirements.

Question 2 (for Acting Secretary Ashworth and General Allvin):
Tanker Fleet

The Air Force's current tanker – the KC-135 – has been in service for 60 years.

The Air Force is now transitioning to the KC-46, which also includes important decisions on new basing requirements.

We all recognize how important tankers are when you are considering operations across the vast distances in the Pacific. The tanker fleet is also a critical component of our nuclear deterrent by enabling the flexibility and responsiveness of the air leg.

Question: What do you estimate would be necessary in rough numbers of tankers to enable our bomber force, assuming that was large enough within the next decade, to sustainably go back on alert?

Response 2:
Re-alerting the strategic bomber fleet is a complex issue with many factors, all of which are classified. The Air Force is happy to provide a briefing in a classified venue.

Question 3 (for General Saltzman):
Space Security

Our Armed Forces and our nation's infrastructure are increasingly reliant on the satellites occupying cislunar orbits, amplifying the security of these systems.

As General Salzman's posture statement points out, "Of the 16 sectors of critical national infrastructure, satellites directly support and enable more than half." The national power grid, as just one example, relies on satellites for precise GPS timing. Disruptions to the grid's timing could yield widespread outages across the country.

Already, we have seen offensive space technologies tested by our adversaries.

With regard to our nuclear forces as well, space is a critical domain for our strategic warning and command and control.

Question: Just as the US Navy protects our shipping in international waters, what capabilities do the US Space Force provide that protect the security of our satellites, including commercial satellites? What is the greatest capability gap for the Space Force?

Response 3:
The Space Force provides several capabilities to protect the security of satellites, including commercial satellites, as part of our purpose to achieve Space Superiority to protect our nation's interests in, from, and to space. The Space Force aims to build a comprehensive understanding of the space environment through additional sensors, data fusion capabilities, and networks. This allows rapid identification and appropriate response to potential hazards or threats to U.S. national, military, and commercial satellites.

The Space Force is working to deploy resilient mission architectures, including proliferated constellations, improved launch infrastructure, and protected measures for satellites and networks. This redundancy and protection make it harder for adversaries to disrupt critical national infrastructures, strategic warning, and strategic command and control. These measures complicate targeting for our adversaries and mitigate the risk of successful attacks.

The Space Force is also developing counterspace systems to deny adversaries the space capabilities to target U.S. forces or the homeland. This is a new mission that requires new resources to develop the capabilities we need. We train Guardians to gain control of the space domain through offensive and defensive actions, which requires the ability to test and train in realistic environments. We are focused on presenting these capabilities at speed and scale: accelerating development and expanding capacity to hold adversary's space systems at risk. I can provide more details at a higher classification level.

Question 4 (for General Saltzman):
Commercially Available Capabilities for Space Force

The Space Force has made tremendous strides in fielding new programs, missions, satellites, and collecting critical data from space. However, I am concerned that we are not moving fast enough to remain the global leader in space, especially as our adversaries are making substantial investments to launch and operate robust space architectures.

The American space industry is one of the brighter spots in our defense industrial base and stands ready to match and exceed adversarial capabilities with mature solutions that can be fielded in as little as 24 months. These solutions can help resolve currently unfilled Joint Staff requirements, yet there is no strong procurement signal from Space Force.

Question: What is the US Space Force's plan to accelerate procurement and acquisition in FY26 to utilize commercially available capabilities in space, such as observation and weather measurement tools, to improve the Joint Force's warfighting capacity?

Response 4:
The Space Force (USSF) is working with our mission and industry partners while taking advantage of Other Transaction Authorities, Middle Tier of Acquisition pathway, and migrating toward acquisition and contracting strategies that ensure we deliver the latest technologies at a cost-effective price and schedule that meets warfighter requirements while minimizing risk to the government. We are also implementing

the USSF Commercial Space Strategy to increase the use and acquisition of commercial capabilities in nearly every USSF mission area, to expedite the delivery of a hybrid space architecture to the Joint Force.

Question 5 (for Acting Secretary Ashworth and General Allvin):
Next Generation Air Dominance and F-35 Lessons Learned

America's 5th generation fighter has a total lifetime cost of over $2 trillion dollars. On top of the cost overruns, there have been well-documented concerns over the F-35 technical data rights.

On March 21, President Trump announced that Boeing was awarded the contract for the F-47, the 6th generation fighter under the Next Generation Air Dominance (NGAD) Program.

Question: What specifically has the Air Force learned from the cost and management problems of the F-35 that they are going to apply to the F-47?

Response 5:
The entire NGAD family of systems is built on a digital foundation that gives the government full visibility and control, ensuring knowledge parity with industry partners. This open architecture allows seamless integration of new technologies, helping to outpace evolving threats and avoid the vendor lock scenario that plagues many of our fielded weapon systems. By prioritizing common support equipment with government-owned software, the F-47 breaks free from costly proprietary systems, fostering competition and saving taxpayer dollars over its lifecycle.

United States House
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Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative David **Valadao** (R-CA)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force
- General David W. Allvin, Chief of Staff, Department of the Air Force
- General B. Chance Saltzman, Chief of Space Operations, United States Space Force

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Question 1 (For Acting Secretary Ashworth):
Cost of Selfridge's Fighter Wing

What are the projected costs of establishing a new fighter wing at Selfridge, including expenses related to infrastructure development, pilot and maintainer training, and operational ramp up? Additionally, how do these costs compare when transitioning A-10 pilots to the F-15EX versus transitioning existing F-15C/E pilots to the F-15EX, given that the latter requires minimal retraining?

Response 1:
The Site Activation Task Force assessment between June 8 and June 12 provided an initial estimate of $971M to support F-15EX arrival and KC-46 modifications. Air Combat Command is in the process of validating the cost estimates of the construction projects and investments needed.

Question 2 (For Acting Secretary Ashworth):
Budget / Procurement

The reconciliation bill includes $3.1 billion in additional F-15EX procurement funds. Where are those additional aircraft intended to go, and has the Air Force already made those basing decisions?

Response 2:
The $3.15 billion in the recently enacted reconciliation bill would procure about 24 F-15EX aircraft in FY 2026 and advanced procurement for F-15EXs in FY 2027. Once the Selfridge total aircraft inventory is determined, the remaining aircraft will likely be coded as Backup Aircraft Inventory (BAI) and rotated in the flying schedule to maintain the readiness and health of the fleet. Because of previous budget realities, the AF was accepting risk without having any BAI-designated aircraft. This might include an additional two BAI aircraft at all planned F-15EX bases with an operational mission planned for 100% PMAI aircraft.

Question 3 (For General Allvin):
MQ-9 Survivability / Procurement

The USAF has lost several MQ-9A aircraft while conducting operations in the Middle East. I understand these aircraft had no ability to protect themselves even though there may be solutions available. Can you explain why these aircraft don't have any self-protect capability and what the USAF is doing to increase the survivability of these critical assets?

Have you looked at backfilling the combat losses with procurement of additional MQ-9 aircraft?

Response 3:
The threat environment the MQ-9A was designed to operate in did not require investment in specific self-protection systems that would have driven costs up unacceptably for the program. Since that time, novel threats to the aircraft have evolved, and in that light, the Air Force is investing in resiliency and capability updates to ensure viability in increasingly challenging environments. Commercially proposed solutions that are under consideration have not been integrated to the platform and not yet been tested for effectiveness.

The Air Force MQ-9A program continues to provide 56 combat lines of global capacity. The service invested in upgrading MQ-9A across to ensure the longevity and survivability of the platform, funding command and control resiliency (proliferated low earth orbit (PLEO)) for the full fleet and MQ-9 Multi-Domain Operations (M2DO) kits for 80 aircraft. Despite attrition, the Air Force continues to balance risk across multiple portfolios, funding modernization to keep the MQ-9 viable in current mission sets while providing capacity to the warfighter.

The Air Force is committed to maintaining current operational capacity and increasing resiliency for the platform. We are evaluating capabilities and tactics to increase aircraft survivability in current threat scenarios to increase the longevity of the MQ-9A program.

The Air Force is investigating backfilling MQ-9A combat losses. The MQ-9A production line closed in FY24 as part of a decision to transition the MQ-9A fleet to sustainment. We are committed to meeting future medium altitude ISR capability requirements and are evaluating a next-generation family of systems to support combatant commanders. The Air Force appreciates the Committee's continued advocacy to ensure the service has sufficient resources to meet Combatant Commander needs.

Question 4 (For General Saltzman):
Resilient GPS

How important is GPS resiliency to the U.S. military, particularly given the Department's heavy reliance on space-based Positioning, Navigation, and Timing (PNT) capabilities and the increasing vulnerability of these systems to emerging threats?

Response 4:
GPS resiliency is vital to the Joint Force, as space-based PNT underpins nearly all our warfighting capabilities, from precision strike to secure communications. Recognizing the increasing vulnerability of

these systems, the Space Force is aggressively modernizing the GPS architecture. We are closing in on fielding of the Operational Control System (OCX), a modern and more cybersecure ground system. Furthermore, we are accelerating the availability of higher-powered M-code signals from space to protect against increasingly common jamming and spoofing threats, ensuring worldwide availability of PNT even in contested or denied environments. These investments are vital to maintaining our strategic advantage and ensuring mission success.

Question 5 (For Secretary Ashworth and General Allvin):
Airlift Capabilities for Future Logistics Plans

Round the clock transportation of ammunition, spare parts, and other supplies within the INDOPACOM theater is crucial, especially in a contested logistics environment. The continued challenges around intra-theater lift are concerning, as capability and capacity will be necessary during conflict. How is the Air Force planning to integrate dual-use, uncrewed airlift capabilities into future logistics plans?

Response 5:
Topline: Logistics, airlift in particular, will be essential to the success of any future conflict in the INDOPACOM theater. The Air Force is committed to modernizing the airlift enterprise to meet the challenge of operating in a contested logistics environment. We have many efforts ongoing to determine the required capabilities to support future logistics plans.

In June 2024, Air Mobility Command commissioned RAND to conduct a capabilities-based assessment (CBA) for next-generation airlift (NGAL), projected to be completed later this summer. It will analyze gaps between the current airlift fleet and new required capabilities. The CBA will inform an initial capabilities document (ICD) and an analysis of alternatives, which will look at commercial derivative alternatives. It will also consider the challenges posed by contested environments, which can degrade command and control and disrupt mobility operations. The results of this process will help determine the most appropriate solution(s) to fulfill future airlift requirements.

The Air Force will continue to monitor industry autonomy efforts for potential future applications for mobility operations.

United States House
Committee on Appropriations
Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Pete **Aguilar** (D-CA)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force

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Question 1:
Why would the Air Force select an A-10 wing for transition to F-15EX in lieu of an already selected F-15C wing, given it is faster, cheaper and easier to convert a F-15C wing to F-15EX?

Response 1:
Exercising his authority as the commander in chief and chief executive, President Trump made the decision to locate 21 F-15EXs at Selfridge ANGB.

Question 2:
How would executing a conversion from A-10 to F-15EX impact the operational readiness of the F-15 enterprise? How do you intend to remediate the expected manning shortfalls and impacts to readiness if you pursued this conversion?

Response 2:
The Air Force is reviewing the Presidential basing action and identifying infrastructure, training, personnel, and other requirements associated with basing 21 F-15EXs at Selfridge. The Air Force will then develop options to base those 21 F-15EXs at Selfridge and adjust the overall F-15EX bed-down plan, as needed. The extent to which other F-15EX recap locations will be affected is still being assessed.

Question 3:
How would the A-10 to F-15EX conversion cause manning shortfalls across the F-15 enterprise? Why not just increase F-15 pilot production?

Response 3:
The Air Force anticipates that there will be an increased throughput needed for pilot and maintenance training at Seymour Johnson AFB starting in late FY27. We are working with the 4th Fighter Wing to evaluate the training capacity required.

Question 4:
What is the direct impact to the Operational Readiness of the F-15 Community by prioritizing the conversion of the F-15EX at Selfridge over the F-15EX at New Orleans and Fresno?

Response 4:
Fighter wings based at Naval Air Station Joint Reserve Base New Orleans and Fresno ANGB were early in the queue to recapitalize their Aerospace Control Alert mission as the aging F-15Cs were retired. Risk in the F-15C fleet has been mitigated by aggregating what we call "platinum" Eagles, which represent the best of the remaining fleet, regardless of the planned F-15EX basing at Selfridge. Air Force planners will use the consolidation of platinum Eagles as required when the basing timeline and operational decisions at Selfridge are finalized.

Question 5:
How is the Department working to ensure that the California National Guard does not have a gap in its F-15 mission? Can you commit to ensuring a smooth rollout of the F-15EX to all wings nationwide?

Response 5:
Fighter wings based at Naval Air Station Joint Reserve Base New Orleans and Fresno were early in the queue to recapitalize their Aerospace Control Alert mission as the aging F-15Cs were retired. Risk in the F-15C fleet has been mitigated by aggregating what we call "platinum Eagles, which represent the best of the remaining fleet, regardless of the planned F-15EX basing at Selfridge. Air Force planners will use the consolidation of platinum Eagles as required when the basing timeline and operational decisions at Selfridge are finalized.

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Subcommittee on Defense
May 6, 2025

Oversight Hearing – The United States Air Force and Space Force
Questions for the Record
U.S. Representative Robert **Aderholt** (R-AL)

Witness(s) being Asked (if Multiple):

- Mr. Gary A. Ashworth, Acting Secretary, Department of the Air Force
- General David W. Allvin, Chief of Staff, Department of the Air Force
- General B. Chance Saltzman, Chief of Space Operations, United States Space Force

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Question 1 (for Gen. Saltzman): The Space Force's plans for Tactically Responsive Space ("TacRS") seem promising. It is critical that the U.S. has both the operational capability and industrial capacity to meet a crisis in space. However, industrial partners are hard pressed to finance preparation for a contingency that might (and hopefully) never arise.

How can the Space Force, and other government customers, help generate the sustained demand signal for companies to position to build more redundancy and resiliency for long-lead items, including for TacRS?

Response 1:
Generating a sustained demand signal relies on co-investment from both commercial and government customers, and TacRS is proving that commercial investment in the space industrial base can be leveraged for military applications. Stable funding enables industry to invest in the entire supply chain rather than starting from scratch with custom long-lead parts for each program. The TacRS program will provide a credible capability we can use to exercise service response processes and train operators.

Additionally, the Space Force is generating sustained demand signals for industry by building out the Commercial Augmentation Space Reserve (CASR), a framework that ensures DoD has access to commercial capabilities in peacetime that can be surged and scaled to meet warfighter demands.

Question 2 (for Acting Secretary Ashworth and Gen. Allvin): The U.S. is making advances in hypersonics, but we are still far behind in technology, fielding, and scale. That includes a test cadence that is too slow compared to the urgency of today's competition. However, with the establishment of the AUKUS partnership, we now have combined trilateral resources.

How have our AUKUS partners helped support the hypersonics program to date and what future opportunities are opened by shared costs as well as UK/AUS testing capacity?

Response 2: We are leveraging the AUKUS partnership to advance and accelerate hypersonic weapons testing and underlying technology development via the Hypersonic Flight Test and Experimentation (HyFLiTE) effort. Established in November 2024, HyFliTE is a $252M collaboration among the United

States, United Kingdom, and Australia, pursuing technologies and innovative approaches to improve hypersonic vehicle testing to accelerate transition of enabling capabilities to warfighter.

Question 3 (for Acting Secretary Ashworth and Gen. Allvin): For FY26, does USAF plan to budget for discreet AUKUS activities or will funds be drawn from existing programs and/or OSD budget lines as proposed in PBR FY25?

Response 3:
The Air Force is still exploring future options to advance and accelerate appropriate programs of mutual interest that would benefit from the alignment with AUKUS.

WITNESSES

	Page
Yakym, Hon. Rudy	2
Prepared statement	4
Driscoll, Hon. Daniel	22
Prepared statement	24
George, General Randy	31
Ashworth, Mr. Gary	146
Prepared statement	149
Allvin, General David W.	168
Saltzman, General B. Chance	169