

STATEMENT BY

**MAJOR GENERAL JERRY L. SINN
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR BUDGET
UNITED STATES ARMY**

BEFORE THE

**SUBCOMMITTEE ON DEFENSE
ARMED SERVICES COMMITTEE
UNITED STATES SENATE**

SECOND SESSION, 106TH CONGRESS

ON READINESS

MARCH 7, 2000

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MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM HONORED TO APPEAR BEFORE YOU TO ADDRESS THE FISCAL YEAR 2001 BUDGET AND HOW IT SUPPORTS THE ARMY'S READINESS AND ITS VISION FOR THE FUTURE. I WOULD LIKE TO THANK THE CONGRESS AND THE MEMBERS OF THIS COMMITTEE FOR YOUR CONTINUING SUPPORT. REVERSAL OF A 13 YEAR DECLINE IN BUYING POWER, A PAY RAISE, AND RETIREMENT REFORM ARE HAVING A BIG IMPACT.

WE HAVE CONSTRUCTED OUR BUDGET ALONG TWO TENETS. THE FIRST IS TO MAINTAIN THE MOMENTUM THE ARMY HAS RECENTLY ACHIEVED IN PROTECTING CRITICAL GAINS IN READINESS, QUALITY OF LIFE AND MODERNIZATION SO THAT WE CAN CONTINUE TO PROVIDE COMBAT READY FORCES TO SUPPORT NATIONAL SECURITY AND NATIONAL MILITARY STRATEGIES. THE SECOND TENET IS THE TRANSFORMATION OF THE ARMY INTO A MORE MOBILE AND SUSTAINABLE FORCE—THE VISION FOR THE FUTURE UNVEILED BY SECRETARY CALDERA AND GENERAL SHINSEKI LAST OCTOBER.

THE FISCAL YEAR 2001 BUDGET MAINTAINS THE ARMY'S READINESS TO WIN TWO NEAR-SIMULTANEOUS MAJOR THEATER WARS BY PROTECTING CRITICAL COMBAT OVERMATCH CAPABILITY IN OUR LEGACY SYSTEMS. IT PROVIDES FOR OPERATIONAL TRAINING THAT HAS NO EQUAL ANYWHERE IN THE WORLD, AND IT SUSTAINS THE IMPROVEMENTS IN QUALITY OF LIFE FOR SOLDIERS AND FAMILIES THAT WE BEGAN LAST YEAR. IT ALSO SUPPORTS CRITICAL MODERNIZATION PROGRAMS THAT ALLOW US TO DEFEAT ANY CURRENT OR FORESEEABLE MILITARY THREATS.

BUDGET REQUEST SUPPORTS THE PROGRAMS THAT INCLUDE FULL FUNDING FOR OUR GROUND OPERATING TEMPO (OPTEMPO) AND FLYING HOUR PROGRAMS SO THAT OUR READINESS GOALS CAN BE MET. THE BUDGET EXPANDS OUR EXISTING TRAINING BASE TO DEVELOP QUALITY LEADERS AND SOLDIERS. IN ADDITION, FUNDING HAS BEEN

PROVIDED TO ENHANCE UNIT DEPLOYABILITY, SUPPORTING INSTALLATIONS, LOGISTIC SUPPORT SYSTEMS AND QUALITY OF LIFE FOR SOLDIERS.

THE FY 2001 BUDGET EMPHASIZES GROWING OUR FUTURE LEADERS FOR THE 21ST CENTURY. WE WILL CONTINUE TO DEVELOP SOLDIERS THROUGH PROFESSIONAL INSTRUCTION IN THE INSTITUTIONAL TRAINING BASE, THROUGH FIELD EXPERIENCES AND PERSONAL STUDY. WE WILL TRAIN MORE LINGUISTS AND UPDATE THE LANGUAGE CURRICULUM TO SUPPORT LANGUAGE REQUIREMENTS THROUGHOUT THE ARMY.

THE FISCAL YEAR 2001 BUDGET INCLUDES FUNDING FOR THE 17 PREPOSITIONED SHIPS AFLOAT AS PART OF THE ARMY'S STRATEGIC MOBILITY PROGRAM. THE PREPOSITIONED SHIPS PROGRAM IS NEARING COMPLETION WITH THE SCHEDULED FINAL PHASE OF THE TRANSITION FROM THE INTERIM PREPOSITIONED SHIPS FLEET TO END-STATE NEW CONSTRUCTION LARGE, MEDIUM SPEED ROLL-ON/ROLL-OFF SHIPS (LMSRS). THE PREPOSITIONED SHIPS PROGRAM WILL REACH ITS END STATE IN FISCAL YEAR 2002, WITH A TOTAL OF 15 SHIPS, INCLUDING 8 LMSRS.

SUPPLYING AND MAINTAINING EQUIPMENT FOR THE ARMY'S SOLDIERS ARE KEY COMPONENTS OF OVERALL READINESS. THE FISCAL YEAR 2001 BUDGET SUPPORTS SUSTAINMENT BY FUNDING A VARIETY OF IMPORTANT PROGRAMS: DEPOT MAINTENANCE, SECOND DESTINATION TRANSPORTATION, SUPPLY DEPOT OPERATIONS, WAR RESERVE SECONDARY ITEMS, CONVENTIONAL AMMUNITION MANAGEMENT, ARMY PREPOSITIONED STOCKS, LOGISTICS AUTOMATION, AND SUSTAINMENT SYSTEMS TECHNICAL SUPPORT. INITIATIVES IN THE FISCAL YEAR 2001 BUDGET SUPPORT THE TRANSITION TO A SINGLE STOCK FUND—AN EFFICIENCY THAT WILL STREAMLINE SUPPLY MANAGEMENT AND OPERATIONS.

WHILE THE ARMY IS MAINTAINING ITS BASE OPERATIONS SUPPORT AT MINIMUM ESSENTIAL LEVELS THIS FISCAL YEAR, REAL PROPERTY MAINTENANCE (RPM) FUNDING IS ONLY 69 PERCENT OF KNOWN REQUIREMENTS, RESULTING IN CONTINUED DETERIORATION OF OUR AGING INFRASTRUCTURE. WE DID ACHIEVE GAINS IN RPM IN REAL DOLLARS LAST YEAR, WHICH HAVE BEEN SUSTAINED IN THIS BUDGET AND OVER

THE FUTURE YEARS DEFENSE PROGRAM, BUT IMPROVEMENTS IN OUR METHODOLOGY FOR CALCULATING RPM NEEDS RESULTED IN AN INCREASED REQUIREMENT FOR FUNDS. THUS THE FISCAL YEAR 2001 BUDGET SUSTAINS THE REAL PROPERTY INVENTORY WITH SOME RISK.

I WILL NOW BRIEFLY DISCUSS THE SECOND TENET OF OUR FISCAL YEAR 2001 BUDGET—ARMY'S TRANSFORMATION, BECAUSE IT IS IMPLICITLY LINKED TO THE ARMY'S READINESS. OUR AIM IS TO GAIN STRATEGIC DOMINANCE AT EVERY POINT ON THE SPECTRUM OF OPERATIONS—FROM STABILITY OPERATIONS TO DETERRENCE TO WINNING WARS. WE MUST DEVELOP NOT ONLY EQUIPMENT, BUT CAPABILITIES—FORCE CHARACTERISTICS THAT THE ARMY WILL NEED IN OUR FUTURE OBJECTIVE FORCE—LIKE BEING STRATEGICALLY RESPONSIVE, DEPLOYABLE, VERSATILE, AGILE, LETHAL, SURVIVABLE, AND SUSTAINABLE. WE WANT TO TRANSFORM THE ARMY FROM ITS CURRENT COLD WAR ORGANIZATION AND EQUIPMENT INTO A FORCE THAT BETTER UTILIZES ITS FULL SPECTRUM CAPABILITES IN A MORE STRATEGICALLY DEPLOYABLE FORCE, AND ORGANIZE THIS FORCE AROUND A COMMON UNIT DESIGN AND COMMON FAMILY OF COMBAT SYSTEMS THAT IS C130 DEPLOYABLE.

THIS TRANSFORMATION PROCESS HAS ALREADY BEGUN. INVESTMENTS IN TODAY'S TECHNOLOGY ALLOW US TO FORM SURROGATE UNITS TO STIMULATE DOCTRINE DEVELOPMENT, ORGANIZATION DESIGN, AND LEADERSHIP TRAINING. ULTIMATELY, HEAVY AND LIGHT FORCES WILL CONVERGE ON SIMILAR CAPABILITY IN A FAMILY OF SYSTEMS ON A COMMON PLATFORM. THROUGHOUT THE PROCESS, TRANSFORMATION ACTIONS WILL RETAIN TODAY'S LIGHT FORCE DEPLOYABILITY WHILE PROVIDING IT THE LETHALITY AND MOBILITY FOR DECISIVE OUTCOMES OUR HEAVY FORCES CURRENTLY ENJOY. CONTINUED UPGRADES AND SELECTIVE NEW PROCUREMENT WILL RETAIN HEAVY FORCE LETHALITY THROUGH OVERMATCH.

REFOCUSED RESEARCH, DEVELOPMENT, AND ACQUISITION PROGRAMS SUPPORT THIS TRANSFORMATION WITH THE ULTIMATE GOAL OF PRODUCING A FAMILY OF COMBAT SYSTEMS THAT ARE C130 DEPLOYABLE YET CAPABLE OF FIGHTING AND SURVIVING LIKE

THE HEAVY COMBAT SYSTEMS OF TODAY. THIS ULTIMATE GOAL WILL ALLOW US TO SIGNIFICANTLY LIGHTEN THE FORCE WITHOUT COMPROMISING COMBAT CAPABILITY. AS AN INTERIM MEASURE, CREATION OF A NEW, MEDIUM TYPE UNIT THAT IS STRATEGICALLY DEPLOYABLE YET CAPABLE OF SUSTAINED COMBAT UPON ARRIVAL IN THE THEATER OF OPERATIONS WILL BEGIN THE TRANSFORMATION. ORGANIZATIONAL REDESIGN AND EQUIPMENT ENHANCEMENT WILL IMPROVE THE LETHALITY OF LIGHT AND EARLY ENTRY FORCES. MAJOR INITIATIVES IN THE TRANSFORMATION STRATEGY ARE TO ESTABLISH AN INITIAL BRIGADE AT FORT LEWIS AND MAN THE DIVISIONS AND ARMORED CAVALRY REGIMENTS AT 100 PERCENT OF AUTHORIZATIONS BY THE END OF FISCAL YEAR 2000. ADDITIONALLY, WE HAVE MADE HARD DECISIONS TO RESTRUCTURE AND TERMINATE VARIOUS SYSTEMS AS WE EVOLVE INTO A LIGHTER, MORE LETHAL FORCE.

IN CONCLUSION, THE FISCAL YEAR 2001 BUDGET REFLECTS FISCAL REALITIES IN ITS MULTI-FOCUSED BALANCE OF ARMY'S NEEDS AND PRIORITIES. IT ENSURES THAT READINESS, QUALITY OF LIFE, AND MODERNIZATION ARE FUNDED AT SUFFICIENT LEVELS, WHILE ALSO BEGINNING THE CRITICAL PROCESS OF TRANSFORMATION. IN SHORT, THIS BUDGET IS BOTH ONE OF ENSURING THE CONTINUED EXCELLENCE THE ARMY HAS ACHIEVED IN THE PAST AND ONE DEVOTED TO CHANGING THE ARMY INTO A FULL SPECTRUM FORCE THAT IS STRATEGICALLY RESPONSIVE AND DOMINANT FOR THE FUTURE.

THANK YOU FOR ALLOWING ME TO APPEAR BEFORE YOU TODAY, AND THANK YOU FOR YOUR CONTINUED SUPPORT OF OUR SOLDIERS AND THEIR FAMILIES.