

**Opening Statement on Military Space Launch and the Use of Russian-Made
Rocket Engines
Chairman John McCain
January 27, 2016**

The Committee meets today to receive testimony on military space launch and the use of Russian-made rocket engines from Under Secretary of Defense for Acquisition, Technology and Logistics, Frank Kendall and Secretary of the Air Force, Deborah James. We thank each of the witnesses for their service and for appearing before the committee.

With Russia and China aggressively weaponizing space, we can no longer take for granted the relative peace we have enjoyed in space for nearly sixty years. Both Russia and China are pursuing unprecedented counterspace programs and investing robust resources to challenge U.S. superiority in space. As Secretary James explained to *60 Minutes* last April, Russia and China are testing and investing in anti-satellite weapons including direct ascent missiles, ground-based lasers, and satellite jammers. To respond to these provocations, the Defense Department is investing \$5 billion and reviewing nearly every facet of the way we operate in space and utilize our space-based capabilities.

In stark contrast to the reviews underway for satellites already in space, the Department appears less interested in rapidly addressing our most immediate threat: our reliance on Russian-made rocket engines. Today Russia holds many of our most precious national security satellites at risk before they ever get off the ground. Yet the Department of Defense has actively sought to undermine – with the support of United Launch Alliance (ULA) and the parochial motivations of Senator Shelby and Senator Durbin – the direction of this committee to limit that risk and end the use of the Russian made RD-180 by the end of this decade.

My views on this matter are well known. The benefits to Vladimir Putin, his network of corruption, and the Russian military industrial complex are also well known. Yet despite the availability of alternatives, a select few still want to prolong our dependence on Russia while they target our satellites, occupy Crimea, destabilize Ukraine, bolster Assad in Syria, send weapons to Iran, and violate the 1987 Intermediate Range Nuclear Forces Treaty.

Our hearing today will closely evaluate the arguments of those making the same empty promises and proposing the same gradual transition that had been promised since the Defense Department first allowed the use of Russian-made engines in

1995. Even then, Secretary of Defense Bill Perry recognized the inherent risks and made domestic production within four years a condition for using the RD-180. Yet 20 years later, after numerous stalling efforts rooted in corporate greed and naive assertions of defense cooperation with Russia, little progress has been made in limiting the influence of Russia on space launch. This is unacceptable and I will do everything in my power prohibit the use Russian-made rocket engines in the future.

This Committee has debated this issue at length. In hearings, in markup, and on the Senate floor not once, but twice. The Fiscal Year 2016 National Defense Authorization Act included compromise language that facilitates competition by allowing for nine Russian rocket engines to be used as the incumbent space launch provider transitions its launch vehicles to non-Russian propulsion systems. I certainly didn't get the immediate prohibition I would have otherwise wanted, but was willing to compromise to send a unified message that the continued use of Russian technology to launch our satellites – not to mention the continued subsidy to Putin's military and close friends – was not in our national security interests.

At every turn, however, the Air Force and ULA, have replied with stalling tactics, stale arguments, and suspect assertions. After years of reaping the benefits as a monopoly provider of space launch capabilities, ULA complains that eliminating the RD-180 will somehow result in replacing one monopoly for another. The fact is that ULA has two launch vehicles, and if the Air Force were to pursue split buys for a short period of time until a new engine is developed, we could eliminate our dependence on the RD-180 today without compromising future competition. The Air Force has also complained time and again that it cannot develop a new rocket engine by 2019. It says an awful lot about the current acquisition system when the default assertion from the Air Force is that it takes longer to develop a rocket engine today than it took to develop the entire Saturn V launch vehicle that took us to the Moon in the 1960s.

It is unfortunate that it took the threat of today's hearing for the Air Force to award a contract for a prototype to replace the RD-180. Two years after Russia invaded Crimea, the Pentagon just recently signaled its desire to allocate over \$250 million for a prototype replacement engine. But even this welcome gesture appears fraught with non-compliance to Congressional direction. Instead of picking two promising designs, the Air Force appears poised to dilute the limited resources across numerous concepts, some of which would require the development of an entirely new launch vehicle. In doing so, they will all but guarantee that no one will be able to develop an engine to replace the RD-180 by 2019.

ULA appears to be willing to take whatever steps necessary to extend its questionable dealings with Russia. We saw this most recently when ULA took steps to manufacture a crisis by artificially diminishing the stockpile of engines they purchased prior to the Russian invasion of Crimea. That crisis proved short lived. Just days after the signing of the omnibus appropriations bill, ULA announced it had ordered 20 new RD-180s – a nearly half a billion-dollar windfall for Putin and the Russian military industrial complex with the added benefit of stringing out our dependence on Russian-made rocket engines. We must label ULA’s behavior for the manipulative extortion it is. And I look forward to hearing from our witnesses today whether they support the actions ULA took when they sought to coerce a change in the law by not competing for the GPS III launch late last year.

Tomorrow I will be introducing legislation with House Majority Leader Kevin McCarthy to strike language air-dropped into the 2000-page omnibus bill last month. This legislation is the first of many actions I will take this year to ensure we end our dependence on Russian rocket engines and stop subsidizing Vladimir Putin and his gang of corrupt cronies. I thank the witnesses again for appearing before the Committee and I look forward to their testimony.