

**DEPARTMENT OF THE AIR FORCE
PRESENTATION TO THE COMMITTEE ON
ARMED SERVICES
UNITED STATES SENATE**

**SUBJECT: LONG-TERM BUDGETARY CHALLENGES FACING THE
MILITARY SERVICES AND INNOVATIVE SOLUTIONS FOR
MAINTAINING OUR MILITARY SUPERIORITY**

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INTRODUCTION

In today's world, credible and effective 21st century deterrence demands both properly-sized nuclear capabilities and multi-domain, multi-functional Joint Forces. Across the spectrum of national security challenges the U.S. faces—China, Russia, Iran, North Korea, and Violent Extremism (Terrorism)—controlling and exploiting air, space, and cyberspace is foundational to Joint Force success.

Against any of these global challenges, today's Airmen are organized, trained, and equipped to both deter and/or defeat these threats while simultaneously defending the homeland and sustaining a safe, secure, and effective nuclear enterprise. However, satellite-enabled precision, stealth, cruise and ballistic missiles, and other military technology proliferate worldwide. In short, the technology and capability gaps between America and our adversaries are closing dangerously fast.

MODERNIZATION

Our curtailed modernization resulted in procuring approximately 175 fewer fighter aircraft per year than we did 25 years ago. As our challengers employ increasingly sophisticated, capable, and lethal systems, we must modernize to deter, deny, and decisively defeat any actor that threatens our homeland and national interests. In order to stall the shrinking capability gap, the Air Force remains committed to our top three conventional acquisition priorities: the F-35A Joint Strike Fighter, the KC-46A Pegasus, and the B-21 long-range bomber.

At the same time, we are focused on modernizing the nuclear enterprise. The last major recapitalization of U.S. nuclear forces occurred in the 1980s and many of these systems face substantial sustainment and reliability challenges. While these

forces are safe, secure, and effective today, significant investment will be required in the coming years to ensure they remain ready and credible for the 21st century.

To address modernization challenges and ensure a reliable nuclear deterrent for the Joint Force, the Air Force requires sustained funding. The FY2017 budget request supports a number of improvements, including recapitalizing legacy bombers with the B-21, replacing aging Air-Launched Cruise Missiles with the Long Range Standoff weapon, modernizing Intercontinental Ballistic Missiles (ICBMs) with the Ground Based Strategic Deterrent program, and critical investments across the Nuclear Command and Control (NC3) enterprise that are required to integrate and employ all three legs of the nuclear triad.

Additional modernization efforts will allow us to balance new capabilities that can defeat future threats with legacy fleets meeting current threats. In FY2016, we invested in B-1 service life extension to maintain this strategic capability against evolving threats. In FY2017, we plan to modernize and sustain the three combat-coded B-1 squadrons with additional precision weapons and digital data links. Additionally, we are approaching our second service life extension on F-16s. High demand for our F-15Cs and F-15Es drove structural fatigue and require consistent funding for repairs.

FULL-SPECTRUM READINESS

The Air Force defines full-spectrum readiness as the right number of Airmen—properly organized, trained, equipped, and led—to either lead and/or support Joint Task Forces (JTFs) in both contested and uncontested environments. In order to meet the full requirements of our Defense Strategic Guidance and current operation

plans, our combat squadrons must be full-spectrum ready.

To develop Airmen properly trained to meet the Joint Force demand signal, we are funding flying hours to their maximum executable level. In addition, we continue to invest in joint and coalition combat exercises such as Red Flag and Green Flag.

Weapon System Sustainment (WSS) costs continue to increase due to the complexity of new systems, the challenges of maintaining old systems, and operations tempo. We fly our aircraft to their full service life and beyond which requires increased investment in preventive maintenance and manpower. WSS thrives on sufficient, stable, and predictable funding which facilitates planning to meet future challenges.

With your help, the Air Force aggressively responded in FY2016 as a pivot to improve readiness conditions and increased our manning by over 6,000 personnel. However, there is a lag between recruiting Airmen and presenting fully-trained Airmen to squadrons. The Air Force surged recruiting in FY2016 and will finish the fiscal year by restoring our active duty force to 317,000 Airmen. Maintaining the force remains our number one funding priority in FY2017.

We project airpower from our bases, and our infrastructure must keep up with modernization and recapitalization to sustain a ready force. Today, the Air Force maintains infrastructure that is excess to operational needs. We have 500 fewer aircraft than we had 10 years ago, yet they are spread across the same number of bases. This arrangement is inefficient with aging, unused, and underutilized facilities consuming funding that should be redirected to readiness and modernization. Reducing and realigning Air Force infrastructure would best support Air Force operations. Therefore, we support a new base realignment and closure evaluation.

To put it simply, Defense Strategic Guidance places demands on the capability and capacity of the Air Force that consume its resources in today's fight and exceed our capacity to address readiness requirements for a high-end fight against a near-peer adversary. If Airmen are unprepared for all possible scenarios, it could take longer to get to combat, jeopardize our ability to win, and cost more lives.

MAINTAINING THE MILITARY'S TECHNOLOGICAL EDGE

Air forces that fall behind the technology curve fail, and if the Air Force fails, the Joint Force fails. Thus, we must team with our joint partners, labs, and industry to leverage existing technology while developing new technology to maintain our edge. Recently, our Air Combat Command Commander declared F-35A Initial Operating Capability—meaning our Joint Strike Fighters are ready for limited combat. At the same time, our F-22s are in high demand in the Central, Pacific, and European theaters due to the increasingly aggressive and technologically advancing nature of our potential adversaries. Therefore, we must modernize our fleet to stay ahead of the evolving threat with continued investment in the F-35A, along with a request for additional funds to upgrade our F-15Cs with modern sensor and electronic warfare suites, and advanced air-to-air weaponry. Fourth generation fighters play a critical warfighting role as we develop, test, and field fifth generation technology.

TOPLINE: FY2018 AND BEYOND

The Air Force will be challenged to sustain legacy fleets and simultaneously invest in developing and procuring the systems required to counter threats in FY2018 and beyond. Given these challenges, and current funding levels, we initiated a series of in-depth enterprise-wide capability studies of the Air Force's five core missions.

Our first effort, Air Superiority 2030, identified a need for increased research and development in advanced capability and capacity. I fully intend to collaborate with Congressional, Department of Defense, and Air Force leaders to build a force capable of achieving our national strategic objectives in the more advanced threat environment of the future.

In today's contests, decision-quality information is paramount—and combatant commanders simply cannot get enough Intelligence, Surveillance, Reconnaissance (ISR). In order to gain and maintain the ISR advantage, the Air Force must find new ways to integrate capabilities across multiple domains (air, land, sea, space, and undersea) and cyberspace. Our next enterprise-wide capability review will explore ISR and multi-domain command and control operations. With the right mix of people, platforms, and resources, we will meet Joint Force requirements across the full spectrum of conflict.

Meanwhile, space and cyberspace threats continue to grow. In space, our Global Positioning System provides the world's gold standard in positioning, navigation, and timing. Our 37 existing Global Positioning System satellites remain healthy, but they are exceeding projected service life. Further, their ability to provide unfettered information is increasingly at risk from our adversaries. To maintain this capability, we requested support to improve anti-jamming and secure access of military Global Positioning Systems. We continue to partner with the Joint Force on the Space Security and Defense Program and the Joint Interagency Combined Space Operations Center (JICSpOC) to develop options for a more integrated and resilient National Security Space Enterprise. To improve offensive and defensive cyber

readiness, we remain on track to grow our 30 Cyber Force Mission Teams to 39 fully operational teams in FY2018 and continue investing in the Joint Information Environment (JIE).

Air Force command and control represents the connective tissue among the Joint Force—providing the essential link between our Joint Force Air Component Commanders and the joint team. The ability to understand changing battlefield conditions and command friendly forces is central to an agile, effective combat force in today's transregional, multi-domain environment.

ACQUISITION AND INNOVATION

The Air Force is committed to acquisition excellence. Our costs are trending downward, we are meeting Key Performance Parameters for our major programs at a rate greater than 90 percent, and we garnered nearly \$10 billion in “should-cost” savings—we are using these savings to secure greater capabilities and additional weapons for our warfighters. But there's ample room for improvement. We aligned our Air Force continuous improvement efforts to the Department's Better Buying Power 3.0 initiatives, as well as the Secretary of the Air Force's “Bending the Cost Curve” effort, all of which are designed to strengthen our ability to innovate, achieve technical excellence, and field dominant military capabilities.

In today's complex environment, rapid change is truly the new norm. We believe incorporating strategic agility into the Air Force acquisition enterprise is the way to capitalize on this dynamic environment. Therefore, we are focusing on five key areas: 1) strategic planning, prototyping, and experimentation; 2) requirements development; 3) science and technology; 4) modular, open systems architecture; and

5) acquisition workforce development. I am exercising the increased acquisition authorities Congress vested in the Service Chiefs to push these five key focus areas and drive for improved execution of on-going acquisition efforts and formulation of future acquisition strategies.

CONCLUSION

We are grateful for relief from the Budget Control Act caps in FYs 2016 and 2017. However, uncertain future budget topline make it difficult to deliberately balance investments to modernize, recover readiness, right-size the force, win today's fight, and fully execute Defense Strategic Guidance. Therefore, permanent relief from the Budget Control Act—with predictable funding—is absolutely critical to rebuilding Air Force capability, capacity, and readiness across our portfolios. Global developments remind us that America's Air Force must have the capability to engage anytime, anywhere, across the full spectrum of conflict—all while providing a reliable strategic nuclear deterrent. America expects it; combatant commanders require it; and with your support, Airmen will deliver it.