Statement of Chairman Curt Weldon

Full Committee Markup of H.R. 5122, the National Defense Authorization Act for Fiscal Year 2007

WASHINGTON, D.C. – The subcommittee’s jurisdiction includes $73 billion in Department of Defense (DOD) procurement and research and development. This mark increases the requested authorization for programs within the jurisdiction of the Tactical Air and Land Forces Subcommittee by $3.8 billion, nearly $500 million of which is for the National Guard and Reserve components. In addition, another $3.4 billion is included in the supplemental authorization title, Title XV, for Subcommittee programs, which the committee will consider later today.

Before you is a summary of bill and report language related to programs of subcommittee jurisdiction within Titles I and II. Our proposed legislation for HR 5122 includes:

- Multiyear Procurement for V-22;
- Multiyear Procurement for the F-22, contingent upon receiving the necessary supporting justification from the Department of Defense;
- Multiyear procurement for Medium Tactical Vehicles;
- A Requirement for a Funding Profile for the Army’s Modular Force Initiative -- referred to as modularity;
- A Limitation on Funding Bridge to Future Networks until submission of a report;
- A Requirement to Fund the Alternate Engine for the F-35 Joint Strike Fighter; and
- A Requirement to accomplish a Defense Acquisition Board Review of the Future Combat Systems program.

Major program adjustments recommended include:

- $1.4 billion additional funding for 20 F-22 aircraft. The budget request is for $2 billion, but the request is for sub-assemblies and not full-up aircraft. This amounts to incremental funding, which Congress as a general rule does not support. The subcommittee mark corrects this by adding $1.4 billion to authorize 20 F-22 aircraft.
- $408 million has been added for the continued development of the alternate engine for the Joint Strike Fighter, F-35 aircraft program. Congress has for the last 10 years supported an alternate engine program for the F-35 to maintain engine competition within the program. The Subcommittee believes engine competition is an important ingredient in fielding an F-35 that is both capable and affordable.
- $318 million has been added for the Army National Guard to fund equipment requirements for a DOD revised increase in end strength of 17,100 personnel.

Finally, $276 million has been added for M-1 tank and Bradley fighting vehicle upgrades. The Army has budgeted for only 50 percent of what they say their modularity requirement is for Bradley upgrades and
only 60 percent of what they say their requirement is for M-1 tank upgrades. Instead of the Army paying $3 million per Bradley upgrade, if done at the minimum economic order quantity rate, the Army is paying $8 million per vehicle -- 2 ½ times what we should be paying. Instead of paying $5 million for an M1 tank upgrade, the Army is paying $7.4 million a tank. Our $276 million recommended increase would fund the economic order quantity for each vehicle.

Recommended total reductions amount to $678 million and include FCS, the F-35, and the VH-71 presidential helicopter program.

The Army is facing a major budgetary challenge in trying to fund FCS, a $200 billion program; Modularity, a $52.5 billion program; and Reset, a $72.3 billion program. Something will have to give. We are not opposed to FCS, modularity, or reset, but there must be balance. And with our military personnel at risk each and every day, supporting those personnel by providing them the proper equipment is where our number one priority must continue to be. We cannot short change the current force for a promised future capability.

We often hear and read that the FCS program is on cost, on schedule, and meets performance. Since SDD began, the FCS program cost has grown from an estimated $91 billion three years ago to $161 billion; estimates of initial operational capability have been slipped by the Army from 2008, to 2010, to now 2014; and after Congress having appropriated over $8 billion, not counting the several billion in complementary programs, there is nothing that has been delivered to be able to measure performance.

Due to our concerns and those voiced by the GAO and CBO, our recommended legislation for FCS would require a Defense Acquisition Board, go/no go decision, after the preliminary design review, not later than September 30, 2008. We also recommend a reduction in the FCS program of $326 million, approximately 6 to 8 percent, for unjustified program cost increases and excess management reserve, to support higher priority requirements within the Army like M1 and Bradley modifications and properly equipping the Army National Guard.

Again, this mark isn’t about being against any particular program. It is about balancing the health and capability of the current force with the needs of future Army capability.

Our concern with the F-35 is one of excess R&D and procurement concurrency. The first test aircraft, now scheduled to fly in October or November of this year, is not a production representative aircraft and first-flight has just slipped 2-3 months. We recommend cutting the long lead funding by $241 million for 11 aircraft of the 16 aircraft intended for procurement in Fiscal Year 2008.

Like the F-35, we believe that the R&D and procurement plan for VH-71 is too concurrent. Last year, the program manager agreed that the program schedule was high risk. Congress directed that the schedule be changed to reduce schedule risk. The Department did not comply. The subcommittee mark recommends cutting $39 million for the purchase of long lead materials for three increment two aircraft to reduce program concurrency.

I believe that this mark funds the priorities of the Members on both sides and unfunded priorities of the Department of Defense and recommend adoption of this mark.

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