

Chairman C.W. Bill Young
Subcommittee on Defense
House Committee on Appropriations
Department of Defense Fiscal Year 2013 Budget Hearing
Opening Statement
February 16, 2012

This morning the subcommittee will hold an open hearing on the fiscal year 2013 budget request of the Department of Defense.

I would like to welcome Secretary of Defense Leon Panetta and Chairman of the Joint Chiefs of Staff, General Martin Dempsey. Both of these distinguished gentlemen are making their first appearance before the subcommittee in their capacities as the leaders of the Department of Defense. We also welcome Mr. Robert Hale, the Department of Defense Comptroller who is a multi-year veteran of appearing before us. Welcome to you all and thank you all for being here this morning.

In these unprecedented times of economic turmoil, it is of vital importance that the subcommittee fully understands the strategy used to reduce the Department's budget by almost \$500 billion dollars over the next ten years; because the magnitude of these reductions presents a danger the Department has not seen since the peace dividends of the 1990s. Indeed, the decisions you have made will set the defense posture for the next ten years...and perhaps beyond.

It is with that in mind that I, and the members of this subcommittee, remain concerned over some of those very decisions. For instance, programs that were argued as strategically important – if not imperative – as recently as a few months ago, have been abandoned in the name of budget savings.

For example, the decision to terminate the Global Hawk Block 30. For years this subcommittee has been told that the U-2 is too costly to operate and would be replaced by a less expensive platform in the Global Hawk...a position verified as recently as 7 months ago as part of the Nunn-McCurdy certification process. Now, after sinking billions of dollars into the development of the Global Hawk Block 30, the decision is made to not only terminate production, but abruptly retire all the aircraft we have recently fielded.

Similarly, another decision has slipped the initial construction of the ballistic submarine replacement program by two years. This comes after many years of the Department warning this subcommittee that this portion of the strategic triad will require replacement in 2027 and construction must start by 2019 to make that timeline. And yet as best as we can tell this is solely driven by budgetary pressures.

In fact, I think it is important to point out that the majority of the reductions have come from the investment accounts. These accounts are what your Department uses to maintain the decisive tactical and strategic advantage over any potential adversary that we enjoy today, well into the future. I look forward to your reassurance that you have not compromised our military's dominance to pay today's bills.

Finally, it is important for us to keep in mind that this strategic review and subsequent reductions come on the heels of former Secretary Gates' "efficiency savings" that were the hallmark of the fiscal year 2012 budget submission. This subcommittee remains skeptical of whether or not many of those savings will ever be realized; and we are a bit concerned that many of the reductions you have proposed this year are either dependent on, or on top of savings proposed last year that may or may not come ever materialize.

Despite these challenges, rest assured that this subcommittee will continue to work with you to ensure you have the required resources and authorities to conduct your mission and take care of the Nation's soldiers, sailors, airmen, and Marines. We understand as well as anybody that the number one resource of your team is the great men and women who sacrifice so much in defending our freedoms.

So welcome – I look forward to your comments and pledge to continue to work with you as we work through your fiscal year 2013 budget.

Now let me turn to my good friend and partner, Ranking Member Norm Dicks for any comments he may want to make.

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