Chairman C.W. Bill Young Subcommittee on Defense House Committee on Appropriations Department of Defense Fiscal Challenges Hearing February 26, 2013 Opening Statement As Prepared

The subcommittee will come to order.

This morning the subcommittee will hold an open hearing on the fiscal challenges facing the Department of Defense. We have all read many articles about some of the steps the military is taking to cope with the reduced funding levels set to be caused by sequestration and exacerbated by the potential of operating under a yearlong continuing resolution. As our witnesses have previously testified, they are facing a period of extreme fiscal uncertainty with serious impacts and global consequences.

Speaking of our witnesses, I would like to welcome them, our nation's top military commanders, the men who lead the active Services and the Guard.

- The Chief of Staff of the Army, General Raymond Odierno;
- The Chief of Naval Operations, Admiral Jonathon Greenert;
- The Commandant of the Marine Corps, General James Amos;
- The Chief of Staff of the Air Force, General Mark Welsh; and
- The Chief of the National Guard Bureau, General Frank Grass.

We couldn't ask for a more knowledgeable or distinguished panel to provide the subcommittee with the accurate and reliable information we need to help inform the Congress and determine the best path forward.

Thank you all for being here today. I am sure I can safely speak for every Member of this subcommittee in thanking you all for your service to our great nation.

Gentlemen, our nation's military has overcome some of the most daunting challenges this world has ever produced, but the set of challenges facing you now cannot be met with more troops or better firepower. These challenges are not on the battlefield, they are in the budgets and accounting statements of the Department, but let's be clear that these challenges will most definitely impact the battlefield.

Sequestration is set to begin next week – an across the board cut of roughly 9 percent, that hits not just the Department of Defense, but the entire federal government. I think we all agree that this will be devastating. On this subcommittee, we have little if any input into the negotiations on averting, or even mitigating the impacts of sequestration. To use an already overused cliché, it is above our pay-grade.

Equally devastating, however, are the potential impacts of a year-long continuing resolution for the Department. Here our subcommittee has much more direct input, and while we continue to

push for an actual bill, those decisions have not yet been made. I cannot recall in my time on the Committee the Department of Defense ever spending a full-year under a continuing resolution – so, to borrow a phrase from the Navy, we are potentially in uncharted waters.

Either one of these challenges – sequestration or a year-long CR – is difficult enough, but lay them on top of already declining budgets, and on top of troops and equipment already stressed from over 10 years of war, and you quickly realize the magnitude of the situation.

Gentlemen, we look forward to your testimony today; to the discussion of the impacts of these challenges, not just the immediate impacts, but the long-term impacts as well, and the potential effects on our nation's security and global engagement strategies.

So welcome – I look forward to your comments and an informative question and answer session. Now let me turn to my good friend and partner, Ranking Member Pete Visclosky for any comments he may want to make.

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