

RECORD VERSION

STATEMENT BY

LIEUTENANT GENERAL JAMES O. BARCLAY III

DEPUTY CHIEF OF STAFF OF THE ARMY, G-8

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Introduction

Chairman Turner, Congressman Sanchez, distinguished Members of the Subcommittee on Tactical Air and Land Forces, I thank you for this opportunity to discuss the Army's Fiscal Year 2014 (FY 14) President's Budget (PB 14) request as it pertains to Army Modernization. I am pleased to represent U.S. Army leadership and the more than one million courageous men and women in uniform who have served our Nation over the past ten-plus years of conflict. On behalf of our Secretary, the Honorable John McHugh, and our Chief of Staff, General Ray Odierno, I would like to take this opportunity to thank the members of this committee for your steadfast support and commitment to our Soldiers.

Army Equipment Modernization Strategy

The Army for the future will feature regionally aligned and mission-tailored forces designed to respond to combatant commander requirements. These units will be ready to prevent conflict, shape the strategic environment and, when necessary, win decisively. The Army equipment modernization goal is to build outwards from the Soldier and Squad and to sustain our advantages in mobility; logistics; and command, control, communications, computers and intelligence (C4I) at the tactical, operational and strategic levels.

To prevail in all domains, the Army must maintain the technological edge over potential adversaries. The Army modernization effort goes beyond materiel and equipment solutions. It is a comprehensive strategy that leverages doctrine, organizations, training, leadership, personnel and facilities. At the heart of the strategy is the use of mature technologies and incremental upgrades to existing equipment, while balancing research investments between evolutionary and disruptive technologies. Our modernization strategy includes a risk-based assessment to identify programs for divestiture.

The Army Equipment Modernization Strategy (AEMS) focuses on equipment programs over 30 years that are versatile and tailorable, yet affordable and cost effective. This allows the Army to transition current capabilities to future threats, informing the innovation required to modernize. Simultaneously, the AEMS remains flexible to cope with both strategic and fiscal uncertainty. As such, we remain committed to balancing existing capabilities with innovation.

We will implement our equipment modernization strategy by taking advantage of government and commercial technologies, using commercial off-the-shelf systems to buy and integrate mature incremental improvements. Through this approach, we will become more efficient, pursuing smaller procurement objectives, leveraging the results of experiments and demonstrations such as the Network Integration Evaluations, and divesting older systems or niche capabilities that carry significant sustainment costs. The Army is currently scrutinizing its equipping programs to validate their contributions to our core competences and required capabilities. The strategy balances modernization risks with force size, readiness, and operational requirements.

Priority Army Programs in FY 14

The centerpiece of our equipment modernization program is the Soldier and the Squad. The Army Network connects Soldiers across the Joint Force. It is designed to provide the right information from a myriad of sensors and data sources, enabling Soldiers to make sound tactical decisions. The network also provides the squad connectivity to other Army and Joint assets, allowing access to multiple firepower, intelligence and combat support systems in the most demanding physical terrain and complex human environments. Combat and tactical wheeled vehicles, combined with aviation improvements are key to making Soldiers more lethal, more mobile, and more surviveable.

The Soldier portfolio focuses on equipment vital for squad mission success by empowering them with improved lethality, situational awareness and protection. The portfolio also includes resources to develop leaders and train Soldiers to take

advantage of our improved capabilities. Planned improvements for dismounted Soldiers include a mission command system that allows Soldiers to see each other's positions, collaboratively mark hazards and on-the-move broadband voice, data and video. This unprecedented situational awareness, coupled with advanced sensors and lightweight small arms systems, will ensure that our Soldiers are unmatched on the battlefield.

Critical to unprecedented situational awareness are two critical network modernization programs, the Warfighting Information Network – Tactical (WIN-T) and Distributed Common Ground System – Army (DCGS-A). WIN-T funding was increased in PB 14 to acquire additional quantities needed to support testing and networking on-the-move capability. WIN-T also aids our homeland defense operations, allowing the Army to establish the Joint Incident Site Communications Capability as an Acquisition Program. This program will also enhance the ability of the National Guard to communicate with first responders during domestic response operations.

Funding for DCGS-A was increased in PB 14 to leverage server/cloud technology and architecture to accelerate the fielding of the Command Post Computing Environment. DCGS-A program is largely based on commercial off the shelf software capabilities obtained from an ever expanding pool of industry partners and addresses a wide range of Warfighter intelligence needs on the ground. The Army restructured DCGS-A program to conduct a full and open competition for a link analysis tool that meets Army requirements. Other priority network programs are Nett Warrior, Family of Networked Tactical Radios and Joint Battle Command-Platform (JBC-P).

The Army's priority combat and tactical vehicle programs are the Ground Combat Vehicle (GCV), the Armored Multipurpose Vehicle (AMPV), and the Joint Light Tactical Vehicle (JLTV). We will continue to make the necessary adjustments in the GCV program -- particularly as budget uncertainty continues -- to ensure that we deliver an effective and affordable replacement for the aging Bradley Infantry Fighting Vehicle. We will select one contractor in the Engineering and Manufacturing Design phase of the GCV program, saving significant Army Research, Development, Test, and Evaluation

(RDTE) resources that we will reinvest in other modernization programs. In the case of AMPV, it is a model program – utilizing mature technologies, strict cost limits, and rigorous analysis of requirements. Replacing our Vietnam-era M113 Personnel Carrier is crucial to our ability to close with and destroy our enemies. In the case of the JLTV, the Army is pursuing a joint solution with the Marine Corps to meet requirements for both services with one procurement effort. These programs exemplify the Army's commitment to capable, cost-effective solutions for our Soldiers and the Joint Force.

Due to FY14 funding reductions, Army Aviation programs will be impacted. This will delay procurement as well as Research and Development for up to one year. We were able to make some trades within the Aviation portfolio to protect higher priority modernization efforts. Our priority aviation improvements include the Cockpit and Sensor Upgrade Program (CASUP) on the aging Kiowa Warrior to meet the Army's continuing requirement for a light, armed helicopter for manned, armed aerial reconnaissance, surveillance and light attack missions. It is a priority Army aviation program due to the persistent high operational demand for this capability and the need to modernize 1970s platforms. I would like to thank the Congress for recently approving the multi-year procurement of our Chinook (CH-47) helicopters. These platforms have been instrumental in both theaters. They greatly enhance our battlefield capabilities while also reducing overall costs to the taxpayer.

Major Program Changes in FY 14

Fiscal realities have caused the Army to make tough choices in almost 100 of our acquisition programs. Nevertheless, we remain committed to maintaining the most capable Army in the world with the resources provided. We will continue to revalidate the requirements and reexamine programs to determine if there are alternatives that can meet the need, and assess their affordability. We believe that with the changes we have made to our programs, we will still have balance in our equipping strategy. However, further funding reductions run the risk of upsetting that balance and will force us to take increased risk for the Army of the future.

Among the changes in our PB 14 request is the restructure of over 35 programs, primarily due to refined requirements or availability of off-the-shelf items. These include Enhanced Medium Altitude Reconnaissance and Surveillance system (EMARSS), EQ-36 Radars, Family of Medium Tactical Vehicles (FMTV), and Joint Light Tactical Vehicle (JLTV). We have accepted risk in 50 programs by slowing deliveries of systems. These include Heavy Expanded Mobility Tactical Trucks (HEMTT), Lightweight Countermortar Radar, Chinook (CH-47F), Hellfire Missiles and re-manufacture of existing Apaches to the AH-64E model instead of new aircraft. This will preclude replacing AH-64E combat losses and achieving the original acquisition objective. Finally, funding will cease for some programs in future years such as the Lakota Light Utility Helicopter (UH-72A) program which curtails Active Component buys in favor of fully fielding the Army National Guard before terminating the program.

We have also accelerated 11 critical programs to provide new capabilities to our Soldiers faster. Among those programs are: Improved Target Acquisition System for Soldiers, Patriot PAC-3 Missiles, and Medical Combat Communications for Casualty Care (MC4).

Closing Comments

The goal of our Equipping Modernization Strategy is to ensure Soldiers are equipped for the current fight as well as future contingencies. Although we are a force in transition during a period of declining resources, we must continue to provide the Army with the best equipped, most modernized, and most capable Force that will prevail on any battlefield against any enemy. In some cases this requires the modernization of priority capabilities, in others it may require the reset of existing systems as they return from Operation Enduring Freedom.

These continue to be challenging times for our Nation and for our military. We can assure the members of this Subcommittee the Army's senior leaders are working hard to address current challenges and to meet the needs of the Nation now and into the future.

Mr. Chairman, members of the Subcommittee, I thank you again for your steadfast and generous support of the outstanding men and women of the United States Army, Army Civilians and their Families. I look forward to your questions.

