

# United States Air Force

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Presentation

Before the House Appropriations  
Subcommittee on Military Construction  
and Veterans Affairs

## ***Military Construction, Housing, and BRAC***

Witness Statement of  
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(Installations, Environment, and Energy)

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## **Introduction**

The Air Force's fiscal year 2016 (FY16) President's Budget (PB) request sets us on the path to meeting the defense strategy as set forth in the 2014 Quadrennial Defense Review (QDR) through strategy-based long-term resourcing decisions. This budget submission is rooted in necessity and is based upon our long-term strategy and vision to provide ready installations supporting the Secretary and Chief of Staff of the Air Force's three priorities of balancing today's readiness with tomorrow's modernization, taking care of our people, and making every dollar count to help ensure we can maintain and field a credible and affordable future force.

The Air Force's FY16 PB sets us on a path to provide the Air Force America deserves. However, even at the FY16 PB level, the Air Force remains stressed to meet the defense strategy. If sequestration funding levels return in FY16, the Air Force will not be able to meet the defense strategy, nor sustain its asymmetric advantage over potential peer competitors. Additionally, these levels will cause continued degradation of infrastructure and installation support. The AF would expect a reduction in Military Construction funding resulting in reduced support to COCOMs, reduced funding to upgrade the nuclear enterprise and support new weapons systems beddown, and elimination of permanent party dormitories from the FY16 budget request. Additionally, the AF would expect similar reductions in FY16 facility sustainment, restoration and modernization funding, forcing AF priority on day to day facility maintenance at the expense of much needed facility repairs.

Our unequalled security, economic, and political advantages, depends on investment in an Air Force that is able to easily succeed against any competitor, in any environment. In order to ensure a trained and ready force, along with the facilities and support to maintain the capabilities required to engage in a full range of contingencies and threats, at home and abroad, the Air Force needs to make smart investments in its installations through military construction (MILCON) and facility sustainment.

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## **Installations**

Ready installations are an integral part of ensuring a ready Air Force. The Air Force views its installations as foundational platforms comprised of both built and natural infrastructure which: (1) serve as the backbone for Air Force enduring core missions - it delivers air, space and cyberspace capabilities from our installations; (2) send a strategic message to both allies and adversaries - they signal commitment to our friends, and intent to our foes; (3) foster partnership-building by stationing our Airmen side-by-side with our Coalition partners; and (4) enable worldwide accessibility when our international partners need our assistance, and when necessary to repel aggression. Taken together, these strategic imperatives require us to provide efficiently operated, sustainable installations to enable the Air Force to support the 2014 QDR.

In its Fiscal Year 2015 President's Budget request, the Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. To help achieve that balance, the Air Force elected to accept risk in installation support, MILCON, and facilities sustainment in FY15. However, in its FY16 request, the Air Force begins to ameliorate the impacts of that risk by increasing funding for installations in all three of the areas noted above.

In total, the Air Force's FY16 PB request is \$1.9 billion more than our Fiscal Year 2015 President's Budget request and contains \$4.8 billion for MILCON, facility sustainment, restoration and modernization, as well as another \$331.2 million for Military Family Housing operations and maintenance and \$160.5 million for Military Family Housing Construction. For sustainment, it requests \$2.4 billion; for restoration and modernization, \$850 million; and for military construction, it requests \$1.59<sup>1</sup> billion. At these levels, the Air Force funds Facilities Sustainment to 80 percent of the OSD modeled requirement. The increase in MILCON begins to revitalize infrastructure recapitalization while

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<sup>1</sup> \$1.59 billion is the Total Force funding request including Active, Guard and Reserve

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maintaining support to Combatant Commander (COCOM) requirements, weapon system beddowns, the nuclear enterprise, and provides equitable distribution of \$203.8 million to the Reserve components.

### **Readiness**

The Air Force FY16 PB request seeks to balance readiness for today's fights, while also modernizing our infrastructure for the future. The Air Force's FY16 budget proposes investments in infrastructure to meet the priorities set in the 2014 QDR and Combatant Commanders' stated readiness needs in the following areas: nuclear defense operations (NDO); space; cyberspace; intelligence, surveillance and reconnaissance (ISR); and the Asia-Pacific theater.

Our FY16 PB supports Nuclear Enterprise priorities and includes three projects, totaling \$144 million. With this budget submission, the Air Force intends to provide a new state-of-the-art Weapon Storage Facility at F.E. Warren AFB, Wyoming which consolidates 22 aging facilities (some of which have been in service since the 1960s), achieving a 19 percent reduction in facility footprint while addressing security and operational inefficiencies through recapitalization. The Fiscal Year 2016 budget also includes investment to revitalize the Malmstrom AFB, Montana, Tactical Response Force Alert Facilities as well as the Whiteman AFB, Missouri, Consolidated Stealth Operations and Nuclear Alert Facility. Together, these projects will consolidate scattered installation functions, provide adequately sized and configured operating platforms, as well as reduce critical response times to generate alert sorties.

As previously mentioned, "Making every dollar count" is one of the Secretary and Chief of Staff of the Air Force's priorities. Consistent with this, the Air Force focused on FY16 space, cyberspace, and ISR investments. These target areas account for two space, two cyber, and four ISR projects in the proposed FY16 PB, totaling \$172 million. The Air Force continues its multi-year efforts to construct the U.S. Cyber Command Joint Operations Center at Fort Meade, Maryland; strengthen its space posture through information and communication facilities; and enhance ISR readiness with remotely piloted aircraft facilities, intelligence targeting facilities, as well as digital ground stations.

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Consistent with the 2014 QDR, the Asia-Pacific Theater remains a focus area for the Air Force where it will make an \$85 million investment in FY16 to ensure our ability to project power into areas which may challenge our access and freedom to operate, and continue efforts to enhance resiliency. Guam remains one of the most vital and accessible locations in the western Pacific. For the past nine years, Joint Region Marianas-Andersen AFB Guam has accommodated a continuous presence of our Nation's premier air assets, and will continue to serve as the strategic and operational center for military operations in support of a potential spectrum of crises in the Pacific.

To further support Pacific Command's strategy, the Air Force is committed to hardening critical structures, mitigating asset vulnerabilities, increasing redundancy, fielding improved airfield damage repair kits and upgrading degraded infrastructure as part of the Asia-Pacific Resiliency program. In 2016, the Air Force plans to construct a hardened Wing Installation Control Center to sustain Guam's remote operations, ensure resiliency with the Dispersed Maintenance Spares and Storage Facility, and continue our efforts to upgrade Guam's South Ramp Utilities, supporting a Continuous Bomber Presence, Tanker Task Force, Theater Security Packages, and Global Hawk beddown. The Air Force also wraps up its development of the Pacific Regional Training Center by constructing a permanent road to support facilities located at Northwest Field. This Regional Training Center will enable mandatory contingency training and enhance the operational capability to establish, operate, sustain, and recover a 'bare base' at forward-deployed locations, and foster opportunities for partnership building in this vitally important area of the world.

This year's President's Budget request also includes \$252 million for additional COCOM requirements extending beyond NDO, space, cyberspace, ISR, and the Asia-Pacific theater. The Air Force continues with phase two of the U.S. European Command Joint Intelligence Analysis Center Consolidation at RAF Croughton, United Kingdom while supporting six other COCOMs. Our total FY16 COCOM support makes up 21% of the Air Force's MILCON request.

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## **Modernization**

Additionally, the FY16 PB request includes infrastructure investments to support the Air Force's modernization programs, including the beddown of the F-35A, KC-46A, and the Presidential Aircraft Recapitalization efforts. The Air Force's ability to fully operationalize these new aircraft depends not just on acquisition of the planes themselves, but also on the construction of the planes' accompanying hangars, training facilities, airfields and fuel infrastructures funded within this FY16 budget.

This year's President's Budget request includes \$54.5 million for the beddown of the KC-46A at four locations. This consists of \$10.4 million at Altus AFB, Oklahoma, the Formal Training Unit (FTU); \$4.3 million at McConnell AFB, Kansas, the first Main Operating Base (MOB 1); \$2.8 million at Pease International Tradeport Air National Guard Base (ANGB), New Hampshire, the second Main Operating Base (MOB 2); and \$37 million at Tinker AFB, Oklahoma, for KC-46A depot maintenance.

This request also includes \$198.3 million for the beddown of the F-35A at five locations, consisting of \$69 million at Nellis AFB, Nevada; \$56.7 million at Luke AFB, Arizona; \$26.9 million at Hill AFB, Utah; \$37 million at Eielson AFB, Alaska; and \$8.7 million at Eglin AFB, Florida.

In preparation for the Presidential Aircraft Recapitalization acquisition, the Air Force's 2016 budget request also accounts for the planning and design requirements essential to this future beddown. In total, our FY16 request represents a balanced approach ensuring critical infrastructure requirements to meet mission needs and operational timelines.

## **People**

During periods of fiscal turmoil, we must never lose sight of our Airmen and their families. Airmen are the source of Air Force airpower. Regardless of the location, the mission, or the weapon system, our Airmen provide the knowledge, skill, and determination to fly, fight and win. There is no better way for us to demonstrate our commitment to service members and their families than by providing quality housing on our installations. We are proud to report that as of September 2013, the

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Air Force has privatized its military family housing (MFH) at each of its stateside installations, including Alaska and Hawaii. To date, the Air Force has awarded 32 projects at 63 bases for 53,240 end-state homes.

The Air Force continues to manage approximately 18,000 government-owned family housing units at overseas installations. Our \$331.2 million FY16 Military Family Housing Operations and Maintenance (O&M) sustainment funds request allows us to sustain adequate units, and our \$160.5 million FY16 request for MFH MILCON funds allows us to upgrade and modernize older homes to meet the housing requirements of our Airmen, their families and the Joint service members the Air Force supports overseas.

Similarly, our focused investment strategy for dormitories enables the Air Force to remain on track to meet the DoD goal of 90 percent adequate permanent party dorm rooms for unaccompanied Airmen by 2017. The Fiscal Year 2016 President's Budget MILCON request includes four dormitories at Offutt AFB, Nebraska; Ellsworth AFB, South Dakota; Altus AFB, Oklahoma; and Joint Base San Antonio, Texas. With your support, we will continue to ensure wise and strategic investment in these quality of life areas to provide modern housing and dormitory communities. More importantly, your continued support will take care of our most valued asset, our Airmen and their families.

#### **European Infrastructure Consolidation (EIC)**

The United States remains committed to NATO and our presence in Europe. The Air Force has invested heavily in its European infrastructure in the last several years in order to ensure it is ready and able to defend U.S. interests and meet its commitment to our Allies now and in the future. At the same time, in the context of a challenging fiscal environment, the Department of Defense recently sought greater infrastructure efficiencies in Europe and to ensure it was focusing resources where they can have the greatest effect.

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Two years ago, the Secretary of Defense directed a European Infrastructure capacity analysis to provide the basis for reducing long-term expenses through footprint consolidations, while retaining current and projected force structure. Under OSD direction, the Air Force used previously established Base Realignment and Closure (BRAC) processes to analyze the infrastructure capacity of 128 total sites, including six Main Operating Bases and six Forward Operating Sites in Europe.

In January 2015, the Secretary of the Defense approved the results of the European Infrastructure Consolidation (EIC) process. This process produced eight consolidation opportunities. These opportunities will eliminate excess infrastructure capacity, consolidate missions, and produce savings without reducing force structure. In the United Kingdom, the Air Force will divest of RAF Mildenhall, and will consolidate intelligence and support activities from RAF Alconbury and RAF Molesworth to RAF Croughton. The Air Force also reaffirmed previous decisions to streamline operations at Moron Air Base, Spain, and Lajes Field, Portugal, and returned four small unused facilities back to their respective host nations.

The Air Force European Infrastructure Consolidation opportunities will require approximately \$1.1 billion (FY16 – FY21) to implement, but will enable the Air Force to save \$315 million a year, while still maintaining our readiness and responsiveness capabilities in Europe. Most of the implementation costs will be funded through previously programmed European Infrastructure Consolidation (EIC) funding.

The EIC ensures Air Force installations in Europe are right-sized and at the right location. Our capability in Europe, along with our ability to meet commitments to Allies and partners, is not diminished by these actions. The Air Force is maintaining sufficient infrastructure in Europe to support six Combatant Commands, the North Atlantic Treaty Organization, and U.S. strategic allies through permanently stationed forces, additional rotational forces, and contingency requirements. The EIC



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adjustments will allow the Air Force to address emerging concerns in Europe and elsewhere, by focusing resources on critical operational support infrastructure.

We have consulted closely with our allies on our specific plans and the broader security picture. These consolidations, force realignments, and new deployments were validated through the EIC and other processes and approved by the Secretary of Defense, in full coordination with the U.S. State Department, and after discussions with the host nations.

### **Closures and Realignments**

Building on the success of the European Infrastructure Consolidation process, the Air Force strongly supports DoD's request for an FY17 BRAC round in the United States.

In FY15 budget discussions, Congress requested that the Services update their analyses of CONUS infrastructure capacity based upon current infrastructure data and current force structure projections.

The Air Force has completed a high-level capacity analysis, comparing current infrastructure capacity to projected force structure and mission requirements. The results of the analysis indicate the Air Force has approximately 30 percent excess infrastructure capacity.<sup>2</sup> This excess capacity results from decreases in Air Force personnel and force structure outpacing reductions in infrastructure. Since the last BRAC round in 2005, the Air Force has 50,000 fewer personnel and 500 fewer aircraft in its planned force structure.

Since the last congressionally directed round of BRAC in 2005, the Air Force has worked diligently to identify new opportunities and initiatives to enable it to maximize the impact of every dollar. We have demolished excess infrastructure, recapitalized our family housing through privatization, unlocked the fiscal potential of under-utilized resources through leasing and partnerships, and reduced our energy costs. All of which have paid dividends. But these efforts are not enough to allow us to continue to fund infrastructure we do not need and pale in comparison to the savings that

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<sup>2</sup> The 30 percent excess infrastructure capacity estimate was calculated using the same approved methodology that has been employed to measure excess infrastructure prior to previous rounds of BRAC.

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can be achieved with BRAC authorities.

Despite our best efforts and innovative programs, the Air Force continues to spend money maintaining excess infrastructure that would be better spent recapitalizing and sustaining our weapons systems, training to improve readiness, and investing in the quality of life needs of its Airmen. The Air Force continues to face hard choices between modernization and operational combat capability, and sustaining installation platforms used to conduct its missions. The Air Force recognizes that it achieve its greatest savings when fully divested of unneeded infrastructure, and therefore it strongly supports DoD's requests for another round of BRAC; specifically an efficiency BRAC focused on reducing the Air Force's 30 percent excess infrastructure capacity and ultimately reducing the demand on resources.

#### **Conclusion**

The Air Force made hard strategic choices during formulation of this budget request. The Air Force attempted to strike the delicate balance between a ready force for today with a modern force for tomorrow while also recovering from the impacts of sequestration and adjusting to budget reductions. Our FY16 PB request begins the recovery of installation and infrastructure investments necessary to meet the defense strategy. Sequestration will halt this recovery. We also must continue the dialogue on right-sizing our installations footprint for a smaller, more capable force that sets the proper course for enabling the Defense Strategy while addressing our most pressing national security issue - our fiscal environment.

In spite of fiscal challenges, we remain committed to our Service members and their families. The privatization of housing at our stateside installations and continued investment in Government housing at overseas locations provide our families with modern homes that improve their quality of life now and into the future. We also maintain our responsibility to provide dormitory campuses that support the needs of our unaccompanied Service members.

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Finally, we continue to carefully scrutinize every dollar we spend. Our commitment to continued efficiencies, a properly sized force structure, and right-sized installations will enable us to ensure maximum returns on the Nation's investment in her Airmen, who provide our trademark, highly valued airpower capabilities for the Joint team.