

HEARING OF THE SENATE ARMED SERVICES COMMITTEE; SUBJECT: DEFENSE AUTHORIZATION REQUEST FOR FISCAL YEAR 2011; THE FUTURE YEARS DEFENSE PROGRAM; THE 2011 QUADRENNIAL DEFENSE REVIEW (QDR); THE 2011 BALLISTIC MISSILE DEFENSE REVIEW (BMDR); THE "DON'T ASK, DON'T TELL" POLICY; CHAIRED BY: SENATOR CARL LEVIN; WITNESSES: ROBERT GATES, SECRETARY OF DEFENSE; ADMIRAL MICHAEL MULLEN, USN, CHAIRMAN OF THE JOINT CHIEFS OF STAFF ROBERT HALE, UNDERSECRETARY OF DEFENSE (COMPTROLLER); LOCATION: ROOM SD-G50, DIRKSEN SENATE OFFICE BUILDING, WASHINGTON, D.C. Federal News Service February 2, 2010 Tuesday  
SEN. JOHN THUNE (R-SD): Thank you, Mr. Chairman.

And Mr. Secretary, Admiral, thank you for your outstanding service and for appearing today and responding to some of our questions.

Secretary Gates, I wanted to take up with you with regard to the recommendations in the budget and the QDR is the -- going back to the 2006 QDR, there was a recommendation in there, as you know, to develop a follow-on bomber. You've made it clear that you support the development of a new bomber. Last April you opted not to pursue a development program for a follow-on Air Force bomber until you had a better understanding of the need, the requirement and the technology.

As part of the effort to better understand the requirement for a new bomber, I also understand that you stood up a tiger team to do an in-depth study of long-range strike in the new QDR.

And in reading the new QDR, on page 33, it looks, however, like you have still not made a decision to move forward with a new bomber program but instead have commissioned yet another study.

My question is, what conclusions were drawn by the tiger team regarding the development of a new bomber?

And are those conclusions that would be available to us, at least, in writing for the record?

SEC. GATES: I will get you an answer for the record on that, Senator, but there is, I think, \$1.7 billion in the budget for a next-generation bomber and long-range strike.

I think one of the issues that we're still wrestling with is what kind of a bomber would be -- be looking for. Do we want a stand-off bomber? Do we want an attack bomber? Do we want a manned bomber or an unmanned bomber? Or do we want variations, where you could have a platform that could serve both purposes?

And I think we're still -- we've still got a lot of life left in the B-52s, as old as they are, and there is modernization money for both them and the B-2s in the budget. And we just -- we're talking about a bomber that would probably not appear into the force until the late '20s, and so we're just trying to figure out, looking ahead a generation, what the right configuration for that would be.

SEN. THUNE: The 2006 QDR suggested, I think, fielding a new bomber by the year 2018, but -- and I understand the concerns that you raised about what type of bomber that might be. But I guess one of the -- and by the way, I think the 1.7 billion is a multi-year number, isn't it? It's like a four-year number --

SEC. GATES: Yes.

SEN. THUNE: But why is it necessary to have another study? I mean, the thing has been studied and studied and studied, and -- on whether or not we want to move forward on developing a follow-on bomber. And when would you expect that study to be completed?

SEC. GATES: I'll have to get an answer for the record. I think -- I think what the studies up to now have been is whether, and now the study is what.

SEN. THUNE: Secretary Gates, with regard to the future-year defense program force structure that set out a new QDR for the Air Force, the QDR proposes five long-range strike wings without the '96 primary mission aircraft. According to the latest Air Force almanac, the Air Force has 153 bomber aircraft, and I understand that some of these aircraft are dedicated to testing, but over 50 aircraft for testing seems like a lot. Do you plan on retiring any bomber aircraft in the near future? And I guess a follow-on question would be, what are the assumptions underlying what appears to be a substantial reduction in the number of bombers?

ADM. MULLEN: Mr. Secretary, I'm not aware that we are, although I certainly would want to check for the record to make sure that I've got that right. But there certainly hasn't been any big discussion about the retirement of bombers.

And if I could speak just briefly to the other issue you raise, I mean, one of the things that's happened in the last two budgets in my view is, it's put us on a pace and with a view that evolves.

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And some of the previous layoffs, 2006 QDR, were from my perspective incredibly aggressive. And so part of my answer to the question of why we're still doing this is because this is a very difficult problem.

We want to get it right. And it has a huge impact quite frankly on the future of the Air Force, because of the capability requirement. And I think what you're seeing is a process that is led by Secretary Gates to move us through a deliberative process that really focuses on getting it right for the future.

And as he indicated, the previous study as to whether or not, and now we look to the future, is what it -- what it should be. And I -- and I'm supportive of that. These are tough decisions we absolutely want to get right.

SEN. THUNE: Could you for the record get to that question though of the number of -- 96 bombers that are assumed in the five wings, with 153 Air Force bombers -- a certain number of them allocated to testing?

But that does seem like a significant number, whether or not there is any plan to retire, and any assumptions underlying that -- what would appear to be a substantial reduction in the number of bombers.

MR. HALE: Supply it for the record, but I think a lot of it may be training. I mean, I think, you're talking about primary or perhaps coded aircraft. There are a number designated training/testing as you say. But we'll supply the details for the record.

SEN. THUNE: That would be great.

And Mr. Chairman, if I could too, I'd like to get for the record a question -- a response to a question dealing with the START treaty. You know, sort of the same thing. Thank you.

SEN. LEVIN: You will expect that answer for the record then relative to Senator Thune's question on START.

Senator Hagan.

SEC. GATES: What was the question on START?

SEN. LEVIN: He's going to submit that to you for the record.

SEC. GATES: Oh, all right.

SEN. KAY HAGAN (D-NC): Thank you, Mr. Chairman.

Thank you both, Secretary Gates and Admiral Mullen, for your testimony today and for your dedication to our men and women in the military.

Secretary Gates, I applaud you for the tremendous job that the Department of Defense has done in carrying out and supporting the relief efforts that have been under way in Haiti.

The ability of our maritime forces to operate from a sea base, while rapidly transitioning personnel and equipment ashore, is something that I believe is an excellent demonstration of what our military is capable of doing and especially useful in a situation in Haiti, where there's limited capacity for air transport.

I believe it's important that we maintain our advantage in projecting seapower across the range of military operations, from humanitarian relief to combat. And my question, Secretary Gates and Admiral Mullen, is, do the military departments and combatant commanders have sufficient amphibious operational capability to address the full spectrum of requirements, both military and humanitarian (sic), anticipated within the QDR?

ADM. MULLEN: Ma'am, as I go back over the last 10 to 15 years and then look at the future, my overall answer to that would be yes. We certainly have in -- within the department over the years, debated -- and there's been a tension -- a tension -- I think it's a good tension -- to get this right, and it focuses very specifically on the amount of amphibious lift capability that we have.

Actually, one of my concerns, specifically -- so right now, yes, one of my concerns about the future, and I -- and I'm certain that the commandant of the Marine Corps shares this -- is the Marine Corps has become very heavy. And obviously it's -- now it's in the sixth or seventh year of fighting a land war, which is not what it wants to do. And so

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 there are an awful lot of adjustments that have to be made for the future. Marine Corps's going to have to get lighter than it's been in the past. So I think this discussion will continue.

But as far as my view of the future, I think we've got it about right, as we sit.

SEN. HAGAN: Thank you.

I know that we've already discussed some what the -- the IEDs, but I know that in Afghanistan the mountainous terrain and the limited communication infrastructure certainly poses a distinctly different IED threat, as opposed to what we have seen in Iraq. And we need additional personnel at the battalion and company levels with the appropriate expertise and technical equipment to detect the IEDs in areas such as Afghanistan, where the insurgents utilize the primitive forms of IEDs with very little metallic content, that is buried into the ground.

What type of feedback are you receiving from CENTCOM and the component commanders in theater with respect to their personnel requirements in countering the IEDs? And what do you expect to do to address any shortages that exist?

SEC. GATES: Well, a substantial number of the 30,000 troops that will be going are in the category of what we call enablers.

And that includes engineers, route clearance specialists, counter-IED specialists, all of whom are -- and people associated with intelligence, surveillance and reconnaissance -- all of which are part of the counter-IED effort.

One of the initiatives that this temporary task force that I've set up under General Paxton and Dr. Carter is looking at is establishing, at the battalion level, what we would call a warehouse approach for counter-IEDs, which would basically, instead of giving every battalion the same set of equipment, rather have an array of equipment that is available to that battalion, and so that each of the teams going out can select the equipment that seems most appropriate to that mission that day.

We have a wide range of these detectors and intelligence capabilities and so on. And the idea is, some of these units are better, frankly, with certain kinds of equipment than others. There's a -- there's more than a little art in this. And so what we're trying to do is figure out how, at the battalion level, we in essence could have an array of equipment that a team going out could take advantage of.

So I think we -- I think that there is an understanding on the part of General McChrystal and General Petraeus that we are pouring every bit of counter-IED capability into Afghanistan that we can.

SEN. HAGAN: Thank you. My time is up.

SEN. LEVIN: Thank you, Senator Hagan.

Senator Wicker.

SEN. ROGER WICKER (R-MS): Thank you.

Gentlemen, we do have a lot to talk about. And I share Senator Sessions' view that it would be nice to have you back. I hope the chairman will be able to arrange that.

My first question is about the 313-ship navy, Admiral Mullen. The CBO recently testified that the current ship-building budgets are not enough to fund the Navy's plan to increase the fleet to 313, and I think we all know that. I assume you agree with that. At 283, the service has the smallest fleet since 1916 -- that's pre-World War I. We'd need to build more than 12 ships per year for the next 18 years to arrive at 313.

Is 313 still the requirement, Admiral Mullen? And how does this budget -- how does this QDR support the goal of a 313-ship Navy?

ADM. MULLEN: It is still the goal. It is the -- it was when I led that analysis and generated that requirement as CNO, and remains the floor. It was -- it was a number that was achieved with, you know, an understanding of what the risk would be. We, the total "we" -- that's the services, the department, those that build ships, the, certainly, Congress-

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 sional support -- have been working for years to get more money into the ship-building account. And I think, as we laid out, there's some \$15 billion this year. That's 10 ships, one of which is an Army ship.

We are -- one of the things that we're not going to be able to do is build to that number, if ships keep costing a whole lot more than we expect they will. That's -- the acquisition reform is really a critical part of that. And I'll use LCS as an example. That has cost -- that has been -- while I had expectations the cost would go up, certainly not to the degree that it has. And so that has to be contained.

We don't need the perfect ship or the perfect airplane, as we look to the future. So there's a -- I have argued for years there's got to be a strategic partnership across all three of those entities, in order to get ship-building, and actually major procurement, right. I think this budget takes some steps in that direction, but it's -- you don't have to do the math -- I mean, you can just do the math and see we're not going to get to 313. And I would not want to be satisfied with 283, which is sort of what the projection is right now, given the demands that we have for our Navy -- our military and our Navy.

SEN. WICKER: So it's going to take acquisition reform to get us to that floor number of 313. When do you think we might be able to actually make some progress in that regard?

ADM. MULLEN: Well, I think that -- I mean, I think the secretary and many others, myself included, have taken steps to really put our -- get our arms around requirements growth, having expertise there, holding people accountable. I mean, those are some of the things that are certainly in much -- in great focus right now. And there's more to do.

But it's going to take -- it will be -- it will be a few years, I think, before that really takes a grip and starts to have the kind of impact to be able to generate the kind of capability you need within cost. I'm encouraged by this shipbuilding program. It's got two submarines in it. This is the first year it's got. I mean, I can tell you it took almost 10 years to make that happen.

So we will continue to -- I think it continues to need to be an area of focus. It's a vital capability for our country. And as you indicated, it's the smallest Navy we've had for many, many decades. And for a country that is a -- you know, that has big bodies of water on both coasts, that's a maritime country, that's a great concern.

SEN. WICKER: Would it be fair to say we are shortchanging part of the mission? Could you enlighten us as to what aspects of our mission are we shortchanging because of the lack of these 313 ships?

ADM. MULLEN: The Navy is very pressed right now, operating at a very high tempo. And I think Admiral Roughead, who will certainly have an opportunity to speak for himself, would say that he is -- he's sort of at the edge of being able to meet the commitments in terms of global commitments. He's heavily focused, our Navy's heavily focused in the Gulf as well. The sea base that was just created very quickly in Haiti is certainly well within what we -- what we expect and can do. But given the op tempo that our Navy -- and our Air Force, quite frankly -- is under, which sometimes gets lost in the focus on our ground forces -- their op tempo has increased as well. And so Admiral Roughead's concern is that we are wearing capability out and we're not replacing it at a rate that gets to that kind of number that you're talking about.

SEN. WICKER: I see.

Well, let me move back to a point that Senator McCain was making. I've just returned also from Afghanistan and Pakistan, and I agree with Senator McCain that this July 2011 date is mentioned when you talk to leaders over there. There was a term that we came back with, from our code with Leader McConnell, and that was "a deficit of trust." And it's not just the date for the beginning of the drawdown, but also, specifically with regard to Pakistan, it's the decade of really very ill will between the United States and the government of Pakistan.

Do you agree, Secretary Gates, that there is a deficit of trust about the United States' intention to be a long-term strategic partner with Afghanistan and Pakistan? And what are we doing to address that deficit of trust?

SEC. GATES: I think there definitely is such a deficit of trust with Pakistan, and I think it's historical. The Pakistanis will speak of three or four American betrayals, only the most recent of which are turning our backs on Afghani-

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stan and them after the Soviets withdrew, and the other the implementation of the Pressler amendment and cutoff of military-to-military relationships.

I think, frankly, the way that trust is rebuilt is with time, effort and actions. I think that the -- I think Admiral Mullen at this point has, in his 2-1/2 years as chairman, been to Pakistan probably 15 or 16 times. He has an extraordinary relationship with General Kayani. I think there is a good personal trust there.

But I think, for Pakistanis as a whole, it is our sticking with them, it is -- it is our attention to their problems, including their economic problems. And so we commend the Kerry-Lugar-Berman bill, which is very important. But I think being steadfast is important.

I was in Pakistan just a couple of weeks ago and spoke directly to this, and I would say that, in some areas, it's more than a deficit of trust. There are -- there are conspiracy theories over there about our wanting to take their nuclear weapons, about our wanting to divide them up, all kinds of things. And I spoke to that directly. And so I think honesty in dealing with them -- but a long-term effort's what's going to be required.

In Afghanistan, I -- my personal sense is that we have, in the -- in the various visits that I have made and Admiral Mullen and others, they understand that July 2011 is the beginning of a process and that there is no deadline on that process. But there also is an acknowledgment by some of the Afghans that, in effect, they needed that kind of wake-up call in order to begin to realize they were going to have to take responsibility themselves for defeating the Taliban, that this wasn't something that everybody else could do for them.

And so I think that the -- what we need to continue to communicate to the Afghans is that, even as our security forces draw down over the next several years, that our presence there, our willingness to partner with them, our willingness to be a part of their economic and political life going forward, is a long-term, decades-long commitment by the United States to that country -- not to having huge military forces there, but helping them get control of their security situation, and then them being in charge of their -- of their country.

But I think -- I think the July 2011 -- I know it's controversial. My own view is that it provided exactly the right incentive for them to begin to accept responsibility. But by having no terminal date on it, it allows us to do a conditions-based withdrawal that I think makes sense.

SEN. WICKER: Thank you.

SEN. LEVIN: Thank you very much, Senator Wicker.

Senator Webb.

SEN. JIM WEBB (D-VA): Thank you, Mr. Chairman.

Gentlemen, we have the recommendations of the QDR. We have your budget proposal. This is not the moment to comment from our side of the table on the details in there.

I would like to thank Senator Wicker for his comments about the size of the Navy and the challenges in the Navy. And obviously as you know, I do not think it is an appropriate budget item for the Navy, to think that they can spend a billion dollars in upgrading a nice-to-have facility Mayport, at the same time when we're looking to try to build a fleet up to 313 ships.

Admiral Mullen, you will recall, when you and I were commissioned in 1968, we had 930 ships in the United States Navy. We had -- it went down to 479. When I was secretary of the Navy, it went up to 568.

But I want to set that aside -- make sure you know we're still going to continue that discussion. I want to set that aside because I only have five minutes. And I want to talk about something else.

And that is that I don't believe quite frankly that the DOD budget should be sacrosanct when it comes to looking at the constraints and the examinations that we ought to be putting on different programs.

And Secretary Gates, I take your point about not wanting to go into force structure reductions. But at the same time, I believe, you can meet the challenges and adapt for the future and still clean up a lot of unnecessary programs that

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I very much appreciate the efforts that you've made in terms of program reductions, which you mentioned in your opening statements. But I think there comes a time, every now and then, to sort of shake things down.

I remember when I was secretary of the Navy, the Gramm-Rudman act was passed over here -- 1987, we had to implement it in 1988 -- it mandated a 10 percent across-the-board reduction in Defense programs, because it was a 5 percent governmentwide mandate, and half of the programs at that time were Defense. They went too far. They clearly went too far. I resigned as secretary of the Navy because they cut into force structure too far.

But it doesn't hurt to really get into efficiencies in an area where we're not getting an appropriate bottom line. And let me give you three data points, and I would ask today for you to make a commitment to really examine these types of programs. You and I are familiar with the Blackwater program that I wrote you about in '07, and we came to some resolution on it, where out in San Diego they were going to spend more than \$60 million for a private contractor to train sailors how to do their job -- basically, how to defend themselves on board a ship.

The first question I had on that was the fact that this is something that active-duty people should have been doing and not a contractor. But the major concern I had was that this program came from O&M block funding. It had never been authorized. It had never been specifically appropriated as a program. It was just approved by a lower-level official in the Department of the Navy based on the needs of the fleet. And as we examined that, we found out that the secretary of the Navy didn't even have to review that program unless it was a \$78 million program.

There's a program existing right now -- and I don't know the extent of it -- where we're sending -- basically sending military officers over to staff and fund think tanks. Your own undersecretary of Defense was part of creating a think tank, CNAF. My understanding of these programs is they get military fellows -- these are active-duty people -- they go over, they get their full pay and allowances, but not only that, they get tuition. The numbers that I -- that I saw were \$17,000 a semester, quote -- whatever a semester is while you're over there -- to pay the rent, the computers, and all the rest of that. And essentially what that means is, the American taxpayer is funding think tanks, basically to keep them in business. They don't produce any really added value to the Department of Defense, in my view, in terms of a direct contribution.

Another example -- it just came up over the past couple of months -- is this mentors program where, according to news reports, you can have retired, high-ranking general officers and admirals -- making well in excess of \$100,000 a year in their retirement -- 80 percent of these people, working with defense contractors, and then going in and making up to \$2,600 a day to give their advice.

In other words, a retired admiral or general can make more in a day than a corporal in Afghanistan will make in a month, basically to do what he's supposed to do anyway, and that is fulfill his stewardship from having spent a career in the military.

I don't know the full cost of that, but according to USA Today, these people are being paid between 200 (dollars) and \$340 an hour, plus expenses. They're hired as independent contractors, so they're not subject to government ethics rules. They operate outside public scrutiny. And many of them work for weapons-makers and, in effect, are able to either gain information for companies or exchange data.

That's not the military I grew up in. That's not the military you and I served in, Admiral. And that's not the Pentagon that I served in in the 1980s.

And so these are the kinds of things, Mr. Secretary, I think we can do, and not affect force structure.

SEC. GATES: Well, we certainly will continue to look at these things. I will tell you, on the mentoring program, the deputy secretary has been reviewing this. And I think you will see some -- we think there is great value in the program, but you will see some fairly dramatic changes in the way it's administered.

SEN. WEBB: I would certainly hope so.

Thank you, Mr. Chairman.

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 SEN. LEVIN: Thank you, Senator Webb.

Senator LeMieux.

SEN. GEORGE LEMIEUX (R-FL): Thank you, gentlemen, for your service and for being here today to answer our questions.

Secretary Gates, when we capture an enemy combatant in Afghanistan or Iraq, do we read them their Miranda rights?

SEC. GATES: No.

SEN. LEMIEUX: So why should we do so if we capture one in this country?

SEC. GATES: That's a question better addressed to the attorney general, Senator.

SEN. LEMIEUX: You were the director of the Central Intelligence Agency before you were the secretary of Defense.

SEC. GATES: Yes, sir.

SEN. LEMIEUX: So I assume you have an opinion on this.

SEC. GATES: I have -- my view is that the issue of whether someone is put into the American judicial system or into the military commissions is a judgment best made by the chief law-enforcement officer of the United States.

SEN. LEMIEUX: Well, before they get into either commission, there's the question of being able to ask questions. And certainly we know there's a chilling effect when we give someone their Miranda rights. So if we're not doing it overseas, I'm not sure why it makes sense that we would be doing it in this country.

SEC. GATES: Well, we have -- we have in place protocols now that -- and there is authority under the law -- that if a person is deemed to be a threat to the national security, as a self-confessed terrorist would be, that there can be delays in Mirandizing to allow time for questioning. So we have the authority to do that even in the Article III system.

SEN. LEMIEUX: My colleague from Virginia was just talking about Mayport and that he has a different view than you expect that I would. And you put in the QDR that to mitigate the risk of a terrorist attack, accident or natural disaster, the Navy will home port an East Coast carrier in Mayport. I know you all support that and I appreciate that, but there is no money in the budget, as I understand it, for the nuclearization projects or other projects that need to be completed.

ADM. MULLEN (?): There's \$239 million in the FYDP for the Mayport, military construction for Mayport?

SEN. LEMIEUX: Okay, thank you.

Admiral Mullen, will you officially designate a ship to Mayport in the coming months?

ADM. MULLEN: Actually, it's something that I -- it's not mine to decide. I think that in the end would be a decision that the Navy would recommend and it would come up to the secretary.

SEN. LEMIEUX: Are you planning on making your recommendation soon?

ADM. MULLEN: As soon as the Navy brings one up. And I just don't know where they are in that process.

SEN. LEMIEUX: Okay. Maybe we can follow up on that later.

ADM. MULLEN: Okay.

SEN. LEMIEUX: I want to speak a little bit about acquisition reform -- a number of my colleagues have mentioned this -- and specifically, Mr. Secretary, about the joint Strike Fighter. We've recently -- I've given some information about the fact that it's 35 percent over budget, which I think is about \$18 billion, if my numbers are correct. This program started in the mid-'90s. It occurs to me I think we went to the moon quicker than we've produced this plane.

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So I appreciate your efforts to try to get this under control. And I saw that there as a suspension in the performance bonuses.

My question to you is, in terms of acquisition reform, it seems to me that there needs to be reform across the Department of Defense, probably across the government, and not just performance bonuses being withheld, but performance penalties under the contract that we have with vendors.

Is there a person that you've charged as responsible solely to lead the effort on acquisition reform? And are you looking at these contracts to make sure that the vendor would bear the cost if programs were delayed?

SEC. GATES: Undersecretary Carter is responsible for that, and he is taking a very close look at a large number of contracts.

SEN. LEMIEUX: I had an opportunity to be at CENTCOM yesterday and speak with General Petraeus. And in the follow-up to my trip to Afghanistan at the end of October, which -- I went with Senator Burr and Senator Whitehouse, one thing that we noted is that our information work there in terms of trying to get the message out to the Afghan people, that may be not as -- doing as good of a job as it could be.

And General Petraeus talked about the fact that we were successful in the surge in Iraq because of the power of ideas, not just the power of our forces. I'm wondering if you -- if this is on your radar screen, the need to commit more focused energy and potentially more funds to the -- providing information to the Afghan people to counteract what the Taliban does. The Taliban will go in and say, oh, you know, we just killed a bunch of children. It's misinformation.

There are some good efforts that are being done. I met with a Colonel Craft (sp) who was doing some very good work with trying to get radios out there to folks, to working with territorial governors to get information out quickly so that we could counteract propaganda from the Taliban. Is that something that's risen to your level, and do you understand the need to maybe improve our efforts?

SEC. GATES: Absolutely. And, in fact, we have spent a good bit of time on this in the Situation Room with our interagency partners. Strategic communications in Afghanistan is a very high priority.

SEN. LEMIEUX: Okay. Let -- I -- I'm out of time. Mr. Chairman, I'd like to ask just one more question for the admiral. On the 313- ship Navy, the plan, I guess, is currently to have 10 carriers. Is that sufficient? We're refitting the Enterprise. Do we need to keep the Enterprise in operation until the Ford comes online? What's your thoughts?

ADM. MULLEN: I think that the current requirement is for 11, and I support that. To 10 -- the 10-carrier issue is to be decided literally decades down the road. Obviously, how we -- how we build them generates how many of them there are and when we retire them.

I don't think we should keep the Enterprise. I think the Enterprise is unique, incredibly costly. And the decision -- and the decision to decommission it after its next deployment and take the risk in that gap, I think, is -- it is a decision that I support, recognizing there is some risk associated with that.

SEN. LEMIEUX: Thank you very much.

Thank you, Mr. Chairman.

SEN. LEVIN: Thank you very much, Senator LeMieux.

Senator Burris.

SEN. ROLAND BURRIS (D-IL): Thank you, Mr. Chairman.

And I'd like to add my thanks, gentlemen, to your wonderful service that you do for our country. And for those, our military personnel that's in Haiti, I just want to extend my thanks to them and also remind our government that we're there as assistants and not to take over or occupy a country, as some people are concerned about, so make sure that we keep that message going forward.

Mr. Secretary, the Defense Integrated Military Human Resources System, the largest enterprise resource planning program ever implemented for the human resource system, which is called the DIMHRS -- I guess that's the pronuncia-



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tion of it -- will replace over -- would replace over some 90 legacy systems, continuing to bring all payroll and personnel functions of the military into one integrated web-based system.

In August of 1996, a Department of Defense task force concluded that the multiple-service, unique military personnel and pay system causes significant functional shortcomings particularly in the joint arena and excessive development and maintenance costs.

Their central recommendation was that DOD should move to a single, all-service, all-component, fully integrated personnel and pay system with common core software.

This program -- this is a program that the Defense Department said at one time was necessary. Why is it considered a poorly performing program today, Mr. Secretary? And why is it not necessary? And when was it necessary? And what has changed?

SEC. GATES: Well, this is one where I think both Admiral Mullen and I have something to say.

First of all, after 10 years of effort, poor performance and difficulties with that program, I would say that what we've gotten for a half a billion dollars is an unpronounceable pronoun -- acronym.

And there is -- many of the programs that I have made decisions to cut have been controversial within the Department of Defense. I will tell you this one was not.

ADM. MULLEN: Both in my prior life, as the head of the Navy and actually even before that, as a budget officer, and certainly through this, this program's been a disaster.

The characteristics you describe, Senator, are good characteristics to have. I talked earlier about making a program too perfect, and you just can't get there -- too complex. And it was proven that DIMHRS couldn't get there time and time again.

So I applaud the termination of the program. That doesn't mean we shouldn't try to create the kind of enterprise efforts that you just described, but we've got to do it in a way where we're not spending the kind of money that we're spending going nowhere in DIMHRS.

SEN. BURRIS: Gentlemen, is that what we run into, a military bureaucracy, that people don't want to give up something? I think there's more of that. If we can pay, under the Office of Personnel Management, all civilian employees are under one payment system, why can't the military also exercise one payment system? It would be my assessment that you run into turf problems; that the military's not willing to say that a person at a grade 6 in the Navy should be paid as a person at a grade 6 in the Army. It's the same system, I mean, so you cut a paycheck, you won't have all these -- what have you got, five or six different payroll systems in the military? We can save millions and millions of taxpayers' dollars by combining those systems.

ADM. MULLEN: I don't disagree that theoretically we could get there, and we should have that. It's just it was costing us a tremendous amount of money to go nowhere in this, and even in the private --

SEN. BURRIS: And why weren't we going anywhere, Admiral?

ADM. MULLEN: Senator, even in the private sector, when you talk to individuals who have tried to combine -- who have combined various multi-systems, it is always a challenge.

So we -- the challenge is there. I think the goal is a -- is one that's a good goal. We just were not getting there with DIMHRS. We were wasting our money.

SEN. BURRIS: We will take it up in the future?

ADM. MULLEN: Yes, sir, I'm sure we will. Sounds like we will.

SEN. BURRIS: Let me shift gears for a minute. Why is the funding for Iraq security forces nearly doubling from the FY '10 budget to the FY '11 budget? When I was in Iraq it was my understanding we were standing down and that -- or we wouldn't need to be, you know, spending extra money for training for the security forces. Is there an explanation why the budget is increasing?

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SEC. GATES: Well, sir, the money is for things like -- \$300 million in the '11 OCO is to set the conditions for the transfer to the State Department for responsibility for training the police.

SEN. LEVIN: Repeat what that OCO means.

SEC. GATES: The overseas contingency operations bill --

SEN. LEVIN: Thank you.

SEC. GATES: -- the new supplemental. The -- and so there are a number of categories like that.

There's -- and a lot of it has to -- there's only \$158 million in -- of the billion dollars in 2010, for example, only \$150 million of that's for equipment. The rest of it is all connected with our transfer of responsibilities from the costs associated with a transfer of responsibilities, either from ourselves to the Iraqis or from the Department of Defense to the Department of State after our troops come out. So most of those costs are associated in that area, along with sustainment of and training for the Iraqis who are going to be taking our places.

SEN. BURRIS: Well, my time has expired. But gentlemen, I hope that we will revisit this personnel system. If the civilians can do it -- you get one paycheck or one pay-scale system -- the civilians -- the military can do it without five or six different systems existing. Thank you, Mr. Chairman.

SEN. LEVIN: Thank you, Senator Burris. A couple quick items. I think -- you know, feel free to submit the -- that unpronounceable acronym for the record. (Soft laughter.)

SEC. GATES: DIMHRS.

MR. HALE (?): DIMHRS.

SEN. LEVIN: You made reference in an earlier answer to the Article III system and that you were referring to the civilian court system.

SEC. GATES: Yes, sir.

SEN. LEVIN: Now, one housekeeping announcement before I call on Senator Collins: When we begin our hearing on "don't ask, don't tell," which looks like we're on schedule to begin even before noon, we're going to follow the same early-bird order as we have for this hearing.

So that everybody can be put on notice, we're going to recognize senators in the same order as they appeared for the current hearing when we reach the "don't ask, don't tell" hearing. Okay?

Senator Collins.

SEN. SUSAN M. COLLINS (R-ME): Thank you.

So the last will be first for that next hearing?

SEN. MCCAIN (?): (Laughs.)

SEN. LEVIN: I didn't say reverse order, I said the same order. (Laughter.)

SEN. COLLINS: (Laughs.)

SEN. LEVIN: I wish I could say otherwise --

SEN. COLLINS: I --

SEN. LEVIN: -- but we were struggling here with what is the best way to do it, and we decided the best way to do it is to put everyone on notice that --

SEN. COLLINS: All right. Just don't tell them that we're starting early, then. (Laughter.)

SEN. LEVIN: Okay.

SEN. COLLINS: Okay.

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SEN. LEVIN: You got a -- you got a deal.

SEN. COLLINS: Thank you, Mr. Chairman.

Secretary Gates, according to the QDR, on any given day there are more than 7 million DOD computers that are being used to support our warfighters and for other DOD operations. We also know that every single day there are attempts to hack into those computers. Some of these attacks are from nation-states, like China. What is your assessment of the effectiveness of DOD's current cybersecurity effort?

SEC. GATES: I think that we actually are, particularly with our classified systems, are in good shape. Most of the attacks that we -- that we encounter are to our unclassified -- to unclassified systems.

But frankly, we're not happy with where we are. And particularly as we look ahead, that's why we have an initiative to create Cyber Command and also have money in the budget and have made a priority in the QDR and in the budget for cyber, in terms of training significant additional individuals to -- who are expert in this area. We've made it a top priority for the services to fill all the slots in the -- in the education programs for cyber.

So I would say we're -- I think we're in good shape now, but we look with concern to the future. And we think a lot more needs to be done.

SEN. COLLINS: Thank you.

Admiral Mullen, last year, the president announced a major policy change on how our country would extend protection against ballistic missiles to our NATO allies. And I joined Senator Levin on a trip to talk to the Czech Republic, Poland and Russia about this very issue last March. I support the change in direction. And part of the change in direction is that sea-based Aegis surface combatants would become a primary means of accomplishing that important mission.

Now, a ship dedicated to perform this mission will likely be tied to specific areas of operation. That means that they're not going to be fully available to perform many of the other more traditional missions that we typically assigned our major surface combatants. A number of analysts have suggested that that means we will need a larger number of major surface combatants, if all of these missions and roles are to be executed successfully.

How does the decision to assign major surface combatants to this new dedicated missile-defense mission affect your assessment of the size of the overall fleet?

ADM. MULLEN: Well, it starts with the earlier discussion we had on the need to get to that floor of 313 ships -- which we're below target right now. And one of the things that I've worried about for years is that we would have enough, in particular, surface combatants to be able to meet the needs that are out there -- although I do not subscribe to the theory that these ships would become ships like our strategic ballistic missile submarines; in other words, it's the only thing that they do. We've invested too much and I think we -- in the broad capability of our surface ships, wide-ranging capability of our surface ships, to dedicate them to one mission.

And I think, as this program has been adjusted, it focuses on regional theater evolving threats, and I think that's the right answer.

And so we would -- we would have certainly some indications and warning. And we have enough ships to flood if you will, to a certain area, understanding what the threat is.

So I'm between. I think we need to look carefully at how many we need. I also think we need to upgrade the ones that we have. While we are upgrading some, I think that you know we need to look pretty seriously in modernization. Do we have enough upgrades for the ships that we've already built to meet this threat, in the longer term, as well as looking to see if we need more?

I'm more focused on the upgrade right now than I am additional Aegis ships per se.

SEN. COLLINS: Thank you.

SEN. LEVIN: Thank you, Senator Collins.

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Senator Bill Nelson.

SEN. BILL NELSON (D-FL): Gentlemen, I want to compliment you on the relief efforts in Haiti. The American military leads. You are the point of the spear. You make it happen. Please consider that for the future, for the long term, we're going to have to do something different.

I was just told a very troubling story of a relief effort by a group of Floridians, doctors, prominent people that took a private planeload of medical supplies down to a number of our doctors, who have been on the ground just doing heroic stuff.

And just before they got there, the customs had been turned back over to the Haitian government. And as they're unloading the plane of all the medical supplies, to get it to our, in this case, University of Miami doctors, who were there the day after the hurricane -- day after the earthquake, the customs officials wanted bribes to release the medical supplies.

And we just can't allow this kind of thing. So you all have done tremendous things in getting us to where we are, the humanitarian mission. But for the long term, we're going to have to have some kind of international trusteeship that's going to be led by the international community, that will take this kind of nonsense away from the people who have done this for 200 years in Haiti.

I'm not expecting a response. I just want to compliment you for what you've done.

Now, what I would like to ask -- I have the privilege of chairing his emerging threats subcommittee, and as we withdraw our conventional forces in Iraq, the requirement for the special operations forces is projected to remain, but they, the SOF, rely on the conventional counterparts for many of the support functions. And so what do we do to ensure that our special operations forces are being adequately supported as we withdraw the conventional forces from Iraq?

SEC. GATES: Senator, I think there's a two-part answer. And I'll take the equipment part and ask Admiral Mullen to take the people part.

One of the things that we are doing is moving the base -- moving the funding of the Special Operations Command from the supplementals into the base budget. We believe SOCOM is going to have a capability that this country was going to need far into the future. And so in terms of their equipment, we're plussing up the equipment that they are supplied with, and much of which is unique to them. We are increasing the number of slots that they have by -- this budget for FY '11 increases the SOCOM personnel by 2,800 people.

So I think that in terms of equipment and so on, we are putting ourselves on a long-term footing to sustain that capability.

ADM. MULLEN: Part of -- and this is in the QDR and it's in the budget -- part of moving to the future is investing in the wars that we're in, and there's no more critical capability, in my view, that we are investing in these wars than the special forces capability. And that will serve us well for the future.

I don't know if I'll get these numbers exactly right, but I think we started these wars at about 38,000, and we're some 56,000 special force operators -- or special force military members now.

And these, as the secretary said, we're growing 2,800. This is, at least in my interaction with Admiral Olson, this is about as fast as we can grow, fast as we can find the people to do this.

And then a document which has struck both the secretary and myself has been Admiral Olson's guidance for this year in 2010. And I have said for years I believe our whole military has to be looking at the kinds of characteristics -- swift, agile, lethal, engaging -- all those kinds of things that is a part of our special forces as we look to the future for our conventional forces.

The tension that you describe -- and I think it's a healthy tension -- between the special forces and the services that provide the people, provide a lot of the early training, go out and recruit them, is a good tension. And we'll have to continue to deal with that.

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SEN. BILL NELSON: Just a quick comment, if you would, Admiral, about the role of Joint STARS aircraft in Afghanistan. You all have provided adequately in the budget for keeping Joint STARS as a viable option by re-engineing these old platforms. What's the role in Afghanistan?

ADM. MULLEN: It is -- it is principally tracking targets on the ground, more than anything else. But as you -- as you ask that question, Senator Nelson, I think of JSTARS being the revolutionary aircraft that it was for Desert Storm -- actually, in the -- I'm sorry, even for -- in the mid -- early to mid-'90s in the Balkans, where we deployed them prior to the time that we actually finished successfully testing them. And they have provided an extraordinary capability, and yet the adaptation in these wars to this persistence requirement, which we've achieved much more readily with our UAVs than we've been able to do with any manned aircraft, per se. But they're incredibly valuable, particularly in tracking targets on the ground, which is one of the reasons this investment is so important.

SEN. BILL NELSON: Thanks, Mr. Chairman.

SEN. LEVIN: Thanks, Senator Nelson.

Senator McCaskill.

SEN. CLAIRE MCCASKILL (D-MO): (Off mike.) First, I want to thank you, Secretary Gates, and I hope that your office will continue to cooperate with information we've requested on a number of different topics for the subcommittee that I chair in Homeland Security on contracting. One of the things we're trying to get to the bottom of is whether or not some of the contracts on the earmarks -- if in fact they've been competitive.

There is said -- it is said that -- I think the chairman accidentally called on me before Senator Bayh, and I want to make sure -- I'm happy to -- okay.

SEN. LEVIN: Just let me thank Senator Bayh. It was a mistake I made here, and I appreciate your courtesy in dealing with it. Thank you.

SEN. MCCASKILL: I want to thank you for the cooperation in trying to get to the bottom, because I think that there is in some instances a fiction that some of these earmarks are being competitively given out, when in reality the senators' requests are being honored -- maybe informally. But we're trying to get to the bottom of it; make sure we've got as much transparency as possible.

I've read everything I can get my hands on on the JSF, the Joint Strike Fighter, and when we're going to actually use these fighters, and I'm confused about the date. Depending on whether you're talking about the analysis team that went out from DOD, or whether -- I see quotes from Schwartz, or whoever. When -- let's get on the record, Secretary Gates, when do you think the Joint Strike Fighter is going to be operational for our military?

SEC. GATES: The -- even with the restructuring of the program, the training squadron is still scheduled to deploy to Eglin Air Force Base in 2011; the Marine Corps will have their initial operating capability in 2012; the Air Force, in the second quarter of 2013; and the Navy, the fourth quarter of 2014. Those are the latest estimates that I've been given.

SEN. MCCASKILL: Okay. And I heard you say those earlier. I just wanted to make sure that that is clarified.

And I want to tell you how much I respect the fact that you fired somebody. You've done this several times. I've watched you do this. And it is unusual. I don't think everybody around here realizes how unusual it is for a secretary of Defense to fire people when these things happen. Traditionally, there have not been people that have been fired. And I just want you to know I noticed, and I think it's hard to do, but I think it's very important that you send that signal of accountability.

Let me ask you about the modernization of the C-5. I'm going to try to go at the C-17 a little bit differently.

I would like to ask this question. If your hands were not tied by Congress in terms of the modernization of the C-5, would you continue to modernize, or would you retire?

SEC. GATES: We would consider -- we would continue to modernize a good portion of the C-5s, but there would be some we would -- of the older C-5As that we would retire.

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SEN. MCCASKILL: Are you advocating that we repeal the statutory tying of your hands? While you're advocating for the closing of the line on the C-17s, are you also advocating that Congress quit tying your hands as it relates to retiring the C-5?

SEC. GATES: Any greater flexibility I can have to manage the program, I would welcome.

SEN. MCCASKILL: Okay. I want to make sure that I get your endorsement for us retiring our hand-tying of you as it relates to -- obviously the modernization of the C-5s has had huge problems. It turned out to be much more expensive than it was ever intended to be, and I know that we are -- it's my understanding -- we're not using the C-5s in Haiti, correct?

SEC. GATES: I don't think so.

SEN. MCCASKILL: And in fact we're using, as we always do, the reliable, easy-to-land on short runways, load-em-up, get-em-out, cheaper-to-fly C-17 in Haiti. Isn't that correct, Admiral Mullen?

ADM. MULLEN: Yes, ma'am.

SEN. MCCASKILL: Just wanted to make sure.

SEC. GATES: Although I would just say, for the record, out of two hundred and some -- 204,000 landings for strategic lift in -- since 1997, 4 percent have been at airfields that a C-5 could not access, and half of those were in Iraq.

SEN. MCCASKILL: Well, I understand that, and I know that it -- that it's important to remember that that Iraq capability was pretty darn important over the last six to eight years in terms of military operations, and I think we're going to have the same situation in Afghanistan. I mean, aren't there airstrips in Afghanistan that are not -- that are certainly more friendly to a C-17 than a C-5?

SEC. GATES (?): (True ?).

SEN. MCCASKILL: Okay.

I would like to briefly get into prescription drugs in our military. I think we're all painfully aware of the suicide problem that we have. I think we are also aware that there has been a "modernization," quote, unquote, of prescription drug availability in the military as it relates to PTSD and other mental health issues.

I know that we have a task force looking at prescription drug use.

I wanted to also bring to the attention of the committee that -- and to you -- that I think as this task force is looking at prescription drug use, not only should we be looking at the antidepressants that I think have become ubiquitous in some instances as it relates to treating our deployed forces when they're having stress issues, but also the prescription drug for pain.

I particularly have mentioned to General Casey OxyContin and the highly addictive nature of OxyContin and the widespread availability of OxyContin within the military, and the fact that we now know that in some parts of our country, OxyContin has a higher street value than heroin because of the highly addictive nature of the drug.

And I wanted to ask your cooperation, Secretary Gates, and I will be sending you a letter, that the prescription drug task force also take a look at how widely available OxyContin is in the military and whether or not its overall effect has been harmful or positive.

And I wanted to ditto Senator Webb on the mentoring program. Pretty ugly. We've got to get that under control and make sure it's transparent. The revolving door at the Pentagon deserves as much attention as the revolving door in Congress.

Thank you, Senator Gates. Thank you.

SEN. LEVIN: Thank you, Senator McCaskill.

Senator Bayh. Again with our thanks.

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SEN. EVAN BAYH (R-IN): Thank you, Mr. Chairman.

First let me compliment Senator McCaskill for her line of questioning. And Claire, Harry Truman would be proud; you know, your focus on saving the taxpayers' money. It reminds me, in a previous incarnation when I was our state's governor during difficult financial times, I used to scrub the budget so carefully I had a nickname in some quarters as "Evanezer." So I really do appreciate your efforts.

And Mr. Secretary, I'd like to begin by complimenting you and associating myself with what Senator McCaskill was saying. It was a breath of fresh air that you're bringing increased accountability to some of these programs. Some of the practices that have been allowed to exist for too long in Defense Department contracting in weapon systems would -- as you know, would never survive in the private sector.

And so the fact that people are being held accountable and the contractors themselves are being asked to share some of the burden for the delays and the cost overruns, I think, is absolutely the right thing to do. I want to commend you for that. And I hope we'll see more of the same.

As you know, we are gathered here at a time of great financial and economic distress for the American people and for our government, and people are being asked to make sacrifices. The president has called for a freeze on non-security discretionary spending, and yet we are being asked to appropriate -- what -- I think you indicated 3.4 percent increase in defense spending? Is that correct?

SEC. GATES: One percent -- 1.8 percent in real growth.

SEN. BAYH: In real growth. My point is, I support that because of the challenges that we face. I just wanted to put it in the context of people are being asked to make real sacrifices, and it's even more important, your efforts to try and save tax dollars wherever possible.

It seems to me that -- looking at the big items, the prospect for any real meaningful savings in the future have to do with our commitments in Iraq and Afghanistan, and perhaps the prospect that they will head in a better direction, allowing us to perhaps save some money there.

So I'd like to ask you about both of those conflicts. I know you've given us your best, or your most likely case estimate about what it will take in both of those conflicts. If you had to say that it was going to be something other than the most likely case -- let's start with Iraq. The way things are trending there, would it be more or less likely that we would be able to withdraw more aggressively there than you're currently planning on and, in so doing, save some of the money that we're being asked to commit to Iraq?

SEC. GATES: I think that General Odierno's view would be that it would be very risky to try and accelerate the withdrawals beyond the timetable that he already has.

SEN. BAYH: So no real prospect for savings beyond what has been estimated there?

SEC. GATES: I think not.

SEN. BAYH: In Afghanistan, my own view is that, you know, skeptics who look at that conflict and say we're going to do our part, you know, we're going -- we're making a major commitment to stabilizing that country, to keeping the Taliban and the al Qaeda from having a platform to attack us -- there's no doubt in my mind we'll do what is necessary. The question is whether the Afghans are capable and willing to do their part.

You look at the history of that country, the complexity of that country, I think the skeptics kind of wonder whether, even with our best efforts, we'll be able to get the job done. Would it be your assessment that there probably is not much prospect for -- well, if events are going to deviate from the most likely scenario, it's more likely to be on the down side than the up side in Afghanistan? No real prospect for additional savings there?

SEC. GATES: I suspect not. But I would tell you, Senator, that, as the president announced, there will be a review of our strategy in Afghanistan at the end of this year. And I think both Admiral Mullen and I are committed that if we -- if we determine that our strategy is not working, that we will not recommend just plunging ahead blindly without a change of course.

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ADM. MULLEN: Senator, if I could just --

SEN. BAYH: Yes, sir.

ADM. MULLEN: Personally, I think a healthy skepticism is -- is good. I think a terminal skepticism at this point is -- it's far too soon. And in fact, we see signs in many places now of, you know, uplifted spirits on the part of the Afghan people where security has turned around.

I'm not underestimating the significance of the challenge. But from a strategy standpoint, a resourcing standpoint, a leadership standpoint, and a commitment on the part of the Afghans that we can see as a result of what the president announced, it's better than it's ever been, and we're just a few months into it.

SEN. BAYH: Well, we're all hopeful, but I think we all realize we have to be realistic as well. And I think that's why it -- Mr. Secretary, I think that's what you've outlined here: reviewing progress, assessing our partners, both in Pakistan and Afghanistan, and then making the hard decisions at the appropriate time.

Let me ask a couple other questions. Have you requested all the Predators and Reapers you can -- you can use and you need?

SEC. GATES: Yes, sir. We have pretty much maxed out the lines. And I'd just say that those capabilities, the -- in some -- in more than a few instances, the challenge is not just the airframe or the platform; it's the ground station. It's the crews. It's the linguists that enable us to use the information. So it's the whole package that we have to put together.

SEN. BAYH: For a long time, it was a shortage of pilots, as I recall. But we've --

SEC. GATES: Well, it was both airframes and platforms. But I would say the Air Force -- I -- over the last year to 15 months, the Air Force has really leaned into this problem. And General Schwartz has told me that they are now training more UAV pilots than they are fighter/bomber pilots.

SEN. BAYH: Well, that's quite a change. But it's one of the systems, as you know, that's really been delivering for us here, so I'm delighted at your request.

Finally -- and my time is expired -- along with five of my colleagues, I had the -- was in Kabul and at Bagram Air Base earlier this month, and -- or last month, now that it's February. And I just want to -- please convey we've met with many of the members of the armed forces, and particularly the special operations folks down there at Bagram. They're doing an outstanding job, and I want you to, if you can, please relay our appreciation for the service they're rendering in our country.

SEN. LEVIN: Thank you, Senator Bayh.

Senator Reed.

SEN. JACK REED (D-RI): Thank you, Mr. Chairman.

Thank you, gentlemen, for your testimony. Some points have been raised with respect to the trial of Abdulmutalab, and I think, Mr. Secretary, you've sort of indicated that that decision was the province of the attorney general. But just as an -- a matter of fact, had he been turned over to military custody, he would have been provided a lawyer, presumably. Isn't that correct?

SEC. GATES: Yes, sir.

SEN. REED: Yeah. And given the fact that we've harmonized the rules of interrogation between the FBI and other agencies of the government, including the military, that the tools available for a -- for an interrogation would have been very much the same?

SEC. GATES: Yes, sir.

SEN. REED: All right. And I think something else, too -- and again, this is not a question of venue; this is a question more of how we combat these terrorists -- a lot of them describe themselves as holy warriors. And if we reinforce their self-described holy warrior description as -- trying them as -- essentially in a military trial and not a civilian trial,



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doesn't that reinforce what they think they are, which is basically that they're not terrorist criminals, they are some type of, you know, holy warrior?

SEC. GATES: Well, I suppose that that's the case. I mean, I just think that we're -- we are in a good place when you have the ability to use both the civilian court system and the military commissions and to be able to make decisions on how to prosecute an individual based on a -- on a case-by-case basis depending on those specific circumstances.

The attorney general consulted with me in terms of the decision on the Christmas Day bomber, and I told him that I would defer to him on that. And I think we need to use both of those venues, but I think it will depend on the circumstances in each case.

SEN. REED: Thank you, Mr. Secretary.

Admiral Mullen, in Afghanistan there has been, I believe, an increase in recruits to the Afghani forces, which are absolutely essential to our long-term strategy. I know there's been a pay increase that has helped, but what other factors have helped?

ADM. MULLEN: I think the -- what -- an intangible that I would put out there is the fact that -- the commitment on the part of the United States and NATO nations specifically to this fight, and to the totality of it, not just the military side; I think the leadership of the -- in Afghanistan -- visibly more committed; General McChrystal out in battlefield circulation with the president, who has connected with his people in ways that have been very important as well; along with the -- and I think the -- it's a combination of standing up for their country, which I am told routinely, and which their leaders feel strongly about, in addition to the incentivized pay increases, specifically.

What we're struggling with is, while the recruiting was at 116 percent over the last couple of months, is having the institutional capacity, both from a -- from a training infrastructure standpoint as well as trainers to absorb that many. And that's just quite frankly an area that we haven't focused on enough in the past and we're trying to get right right now.

SEC. GATES: I should correct the record. The attorney general consulted with me on the five 9/11 terrorists, not the Christmas Day bomber.

SEN. REED: Thank you, because it's important to have the record accurate.

Mr. Secretary, you have, I think, once again proposed robust funding for basic science in the Department of Defense in this budget, and I think that's critical. And could you give an idea of where this -- you're -- where you're proposing to spend this money?

SEC. GATES: Let me do that for the record, if I might.

SEN. REED: You're quite welcome to do that for the record.

Admiral Mullen, in the QDR, there is a discussion of dealing with anti-access environments and utilizing the advantages in sub-surface operations, which, I presume, is not just submarines but also unmanned undersea vehicles. Can you amplify the -- what your plans are to --

ADM. MULLEN: Well, broadly, I think the presumption is exactly right. We've focused on investments there for some years. I'd have to get back to you with what the specifics of that would be. And I would only say, from, actually, every capability area that we have, that the ability to sustain -- create and sustain access globally oftentimes this is -- is very important and oftentimes this is very focused in the Western Pacific. But quite frankly it's much broader than that, and those capabilities are vital for our future.

SEN. REED: Thank you very much.

Thank you, Mr. Chairman.

SEN. LEVIN: Thanks, Senator Reed.

Senator Begich.

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SEN. MARK BEGICH (D-AK): Thank you very much, Mr. Chairman. Thank you all for being here, and I am the last one standing, I think, on this round of activity.

So let me be -- try to be very quick. I have some very Alaskan issues, but first, a little more global.

Again, thank you for all the work you're doing in Haiti and the impact that we have down there. Can you tell me, just so I have the number correct, what do -- what's our total capacity down there right now, in regards to troops that we have there?

ADM. MULLEN: We actually had over 20,000. With the release of the aircraft carrier Vinson -- who actually left her helicopter capability ashore in Haiti -- but with the release of her, we're down, just under 17,000 today.

SEN. BEGICH: And do we have a(n) idea of what the resource cost has been so far to DOD?

MR. HALE: It's about \$150 million so far.

SEN. BEGICH: And do you have an estimation of what you think in this budget process that you're planning to expend for the next year?

ADM. MULLEN: Well, I -- I am not sure of the duration and length of this. We estimated three (hundred million dollars) to \$400 million during the first 30 days, and I think we'll have to revise that, depending on how long we're there and the degree of our commitment.

SEN. BEGICH: Do you have within the budget that the president's presented the resources to meet that goal?

MR. HALE: No.

SEN. BEGICH: Okay. That's good. That's what we need to know.

MR. HALE: We can cash-flow it, but we need to be repaid.

SEN. BEGICH: Understood.

ADM. MULLEN: We do have the money right now, thanks to the committee and the Congress, to cash-flow it.

SEN. BEGICH: Okay. And do you think and believe you have a clear mission of what you should be doing there yet defined, Secretary Gates?

SEC. GATES: Yes, I think we do.

ADM. MULLEN: Yes, sir. I mean, it's very clear, and it's in support of, obviously, first of all, the Haitian people, the Haitian government, the U.N. mission. We're in support of USAID, who has also been magnificent in this effort. So it is a supporting effort, specifically.

SEN. BEGICH: Very good. And if I can go very quickly on another -- whole another subject that Senator McCaskill brought up, OxyContin, the other piece I'd like maybe at another time for the record, not only what the drug activity in the sense of distribution, but the efforts for individuals who are trying to get off of it. I have talked to several soldiers who have had OxyContin as their pain management and other things, but now they are trying to get off of it, and we have limited resources. So if you could maybe, for the record, just give me kind of how that works, and what you do for those soldiers that are trying to now get themselves out of that situation, if you could do that for the record, Admiral.

And then, the -- give me the Iraq status again. We had a year ago how many troops there, roughly -- about a year ago?

ADM. MULLEN: Sorry.

SEN. BEGICH: How many troops did we have in Iraq about a year ago? What was our peak level, do you think, 140 --

ADM. MULLEN: Yeah, I would say, 140 (thousand)-150 (thousand).

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 SEN. BEGICH: And where --

ADM. MULLEN: We're at 104,000 today.

SEN. BEGICH: Hundred and four thousand today.

ADM. MULLEN: Right, and the Marines are out.

SEN. BEGICH: And then by the end of August, you think we'll be down to 50,000 remaining.

ADM. MULLEN: About 50 (thousand), right.

SEN. BEGICH: And then the other date of next August, where will we be?

ADM. MULLEN: The following year, actually the end of 2011, we'll be out.

SEN. BEGICH: Okay, and again to echo what I think you said to Senator Udall, we're on track.

ADM. MULLEN: We are.

SEN. BEGICH: Very good.

I'm trying to rapid-fire these, knowing my time is limited.

Do you still -- in your DOD presentation of the budget, do you still have a very robust -- another issue separate -- alternative renewable energy program? I know that's been a big plus, to be very frank with you, with the military.

You have been leaders in this area. Are you still fairly in your mind aggressive in this arena?

SEC. GATES: Yes.

SEN. BEGICH: Let me now be parochial, as you probably anticipated.

But first with regards to the GMD, I appreciate the missile ground defense system and the work you've been doing in Alaska and the efforts you've done over the years, the transition of what's been going on with overall missile defense.

Can you -- now, the way I understand this is, you'll finish off field two. Do you have the resources in this budget? Or do you allocate utilizing other resources to get that final completion of the 12 and then the decommission of the six?

SEC. GATES: That's budgeted for.

SEN. BEGICH: Okay. In this cycle?

SEC. GATES: Yes.

SEN. BEGICH: Is there anything beyond even the six decommissioned? Do you have to budget for that? Or do you think you have that also in this cycle?

SEC. GATES: I think it's all in the budget.

SEN. BEGICH: Okay. If there's a difference, you'll let us know.

Climate change, arctic policy -- I know you mention it and you start talking about it within this process. And I think it's important. There is an issue. And maybe again at a later time as you know, we have three -- the European, the Northern and the Pacific Command -- that kind of manages it all together.

Is there a process you're going through now to try to bring some unified command, maybe a joint command? Or how do we deal with that?

Because I know that's an issue that keeps popping up. And are you going through a process now, Admiral?

ADM. MULLEN: I think we -- I think, we'd -- I think, Senator, we would use the normal process, which would bring all of that back here, certainly from the combatant commanders' standpoint. And we do that routinely across a host of issues. There's no view that I've heard of -- or certainly in -- don't see us, from an intention standpoint -- to create another command to handle this.

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But we are looking at the policy. I actually want to give Thad Allen and the Coast Guard a lot of credit here, because --

SEN. BEGICH: They've done a great job.

ADM. MULLEN: -- they've actually done great work and brought it to our attention over the last couple of years. We've moved ahead. We still have a long way to go there.

SEN. BEGICH: My time is up, but that is exactly -- you had said that the Coast Guard's really kind of been, you know, hollering out there at all of us.

ADM. MULLEN: Right. Right.

SEN. BEGICH: And as you move forward on that, I would love to be engaged in that, be well aware -- huge opportunity, also a huge potential conflict --

ADM. MULLEN: Yes, sir. Right.

SEN. BEGICH: -- and so your work there would be greatly appreciated.

My time is up. I tried to give you a variety pack, and you did a great job. Thank you very much.

SEN. LEVIN: Thank you, Senator Begich.

Senator Chambliss is on his way. He has not had a first round yet. I think maybe we'll just see if anyone has one question for a second round. I have one, and then I'll see if others do.

Okay, I call on you, too, Senator Burris.

My question is the following. There was a study that the Institute for Defense Analysis did on that alternate engine for the F136. And my question is, it's now about three years old. They looked at how much was invested; how much would need to be invested to develop it; what would be the possible benefits; what would be the costs for that alternate engine. And my question is, will you ask the Institute for Defense Analysis to update that study since we've had a couple of years now of additional investment? Can you do that, Secretary Gates?

SEC. GATES: Let me take a look at it, Senator. I don't -- Mr. Chairman, I don't know why not, but let me -- let me get back to you.

SEN. LEVIN: All right. Is there anyone -- let's just try one question for everybody.

Senator Burris.

Well, wait a minute. Let me see. Senator Collins will be next if you had a question.

Are you okay?

Okay. Senator Burris.

SEN. BURRIS: Thank you, Mr. Chairman. My question, gentlemen -- go to the ability of small contractors to have the opportunity to do business with the Defense Department, where they may need some type of assistance with their development product -- development project, which I understand that there are major dollars sometimes spent to get a piece of equipment that the military may need.

And I have a specific country in mind where it's been cleared through generals and it's been authorized, but you can't get the decision to be made because we're talking about saving. This is technical equipment for our space stations and our drones and our other military aircraft. And it seems like the bureaucracy with the bigger companies just seem to charge much more money and they sometimes try to subcontract with -- or either (subsell ?) with these contracts. But this could be sold directly to the military, but there just seems to be a bureaucracy that these small companies run into.

Is there some system or device that a small business can really get an opportunity to sell that product to the Defense Department, which is a better product and a cheaper product, which would save taxpayers dollars?