



THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

OCT 14 2009

The Honorable John P. Murtha
Chairman, Subcommittee on Defense
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

The Director of the Office of Management and Budget (OMB), Dr. Orszag, has sent you a letter stating the Administration's position on major issues that confront you as the Congress debates the House and Senate defense appropriations bills. I want to reiterate Dr. Orszag's points and also provide the Department's views on other issues not addressed in the OMB Director's letter.

The Department supports passage of H.R. 3326 and appreciates the Congress' efforts to support the Department's commitment to keeping the United States military the strongest and most capable military in the world. In addition, I appreciate that both bills provide resources for ongoing overseas contingency operations for a full year.

The Department is especially grateful for your support for the President's decision to cease F-22 production at the end of the current multiyear production contract. Supporting this and other proposed terminations, such as the Kinetic Energy Interceptor, will result in a more effective use of funds for the Nation's defense efforts.

Despite many favorable features in the House and Senate bills, there are significant ways in which both bills can be strengthened. As you begin the conference on the Department of Defense Appropriations Act for fiscal year 2010, I would like to call to your attention several issues of priority concern.

The conference bill should not provide funding for weapons that are not working or are no longer needed. To that end, the Department strongly objects to the House's addition of \$400 million to make operational five partially-completed VH-71 helicopters and appreciates that the Senate did not add funds to the President's request. These helicopters currently have no mission equipment and would require in excess of \$2 billion to complete and to operate as Presidential helicopters. Even with these funds, they would still not meet full operational requirements for that mission. The Department and the White House are conducting a requirements analysis, and the outcome of this effort should not be pre-empted. If the final bill were to include funds that continue the existing VH-71 program, or would prejudge the plan to re-compete the Presidential helicopter program, I would recommend that the President veto the bill.

The Department also strongly objects to provisions in the House bill that provide continued funding for procurement and development of the Joint Strike Fighter (JSF) Alternate



Engine Program, which was proposed for termination by the President. This program is unnecessary, and could disrupt the overall JSF program by diverting resources away from efforts needed for the continuation of that program. If the final bill presented to the President would seriously disrupt the JSF program, I would recommend that he veto the bill. I urge the conferees to support the Senate bill which provided no funding for the alternate engine.

The Department does not need additional C-17 aircraft. Therefore we strongly object to provisions in both the House and Senate bills that provide unrequested funding for continued procurement of the aircraft. Analyses by DOD have shown that the C-17s already in the force or on order, together with existing fleet of C-5 aircraft, are more than adequate to meet the Department's future needs, even under the most stressing of situations. Procuring additional C-17s is an inefficient use of critical defense resources that could be put to better use elsewhere.

As we all agree, the United States, its allies, and its partners must succeed in our wartime efforts. To aid in these efforts, the Department strongly urges that the final bill at least fully fund the President's request for Mine Resistant Ambush Protected Vehicles (MRAP). Even with the additional funds provided in the FY 2009 supplemental, the House reduction would seriously delay fulfillment of this requirement. Full funding is especially critical because the requirement for MRAP All-Terrain Vehicles in Afghanistan has increased substantially since that request was prepared. The Department also opposes the Senate's reduction of \$900 million in the funds that the President requested to sustain the Afghanistan National Security Forces. Accelerating the growth in the size and capability of the Afghan military and police is a key component of the U.S. strategy in Afghanistan. The President's full request reflects his commanders' plan for Afghan forces to assume a greater share of responsibility for security as quickly as possible. In addition, the Department urges that funding be provided as requested for section 1207 reconstruction stabilization assistance. At a minimum, we request that the conferees support the Senate level of \$100 million, which maintains current funding levels.

House and Senate reductions to the request for information operations represent another change that would adversely affect our ability to win today's wars. These programs directly support our warfighters' efforts to engage, persuade and influence foreign audiences. The House reduction of \$500 million would eliminate 80 percent of the Department's Information Operations program. The Department also opposes the Senate bill's targeted reductions that would eliminate funding for all U.S. European Command and U.S. African Command Information Operations programs. The Department requests the flexibility to allocate any reductions to programs that have the least impact on the warfighter. On a positive note, the Department strongly supports the Senate's realignment of funding to increase the Army's helicopter training capacity, which is critical to our ability to prevail in today's wars.

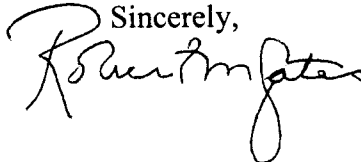
Successful military operations require adequate funds for readiness and support. Both the House and Senate bills reduce Operation and Maintenance funding for the services by more than \$2 billion, through direct cuts and General Provisions. These reductions are mostly based on unsupported assumptions, such as projected future under-execution or excess cash in the Working Capital Funds. The Department urges conferees to restore these reductions, which would hurt force readiness and increase stress on our military people and equipment.

We must all work together to develop new weapons and systems that meet our national security needs in a cost effective manner. The Department is therefore opposed to the House provision that would undermine DOD's ability to ensure a fair and timely competition for the KC-X tanker. The provision also restricts the assembly of all non-developmental aircraft in a manner that is inconsistent with our international agreements.

The Department also opposes the House's rescission of FY 2009 funds for the European Interceptor Site because the funding is needed to support the Department's new missile defense architecture. In addition, we object to the cut in the FY 2010 request and rescission of FY 2009 funds for the Space Tracking and Surveillance System, which would result in immediate cessation of work and deobligation of funds. The Department urges the exclusion of the Senate cut in testing funds, which would disrupt the collection of data essential for the development of critical missile defense capabilities. The Department also urges full funding for the Defense Advanced Research Projects Agency (DARPA) and Science and Technology (S&T) requests. The cut in funding, amongst other items, severely constrains the Agency's ability to conduct, enhance, and begin groundbreaking efforts spanning the entire range of conflict from combat casualty care to global strike initiatives.

Finally, the Department objects to the Senate provision that would count as "active duty" service the time Alaska Territorial Guard members served during World War II. This provision would establish an untenable precedent of treating service performed by a state employee as active duty for purposes of the computation of retired pay.

I appreciate the many provisions in both bills that will benefit the men and women of this Department. Thank you for your consideration of my views, and I look forward to working with you to resolve these concerns.

Sincerely,


cc:
The Honorable C.W. Bill Young
Ranking Member



THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

OCT 14 2009

The Honorable David R. Obey
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

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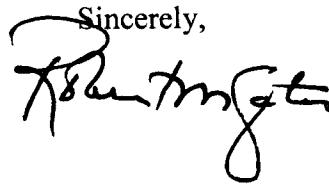
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Sincerely,


cc:
The Honorable Jerry Lewis
Ranking Member



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1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

OCT 14 2009

The Honorable Daniel K. Inouye
Chairman
Committee on Appropriations
United States Senate
Washington, D.C. 20510

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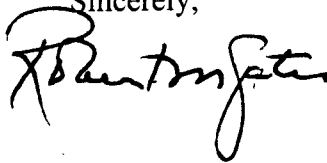
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Sincerely,



cc:

The Honorable Thad Cochran
Ranking Member