

March 12, 2009 - Address at Aviation Week's Defense, Technology & Requirements Conference

Congressman John P. Murtha

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In the past few weeks, we've heard much talk about reforming the defense acquisition process, and making significant changes to existing and future procurement programs.

I certainly agree that we must reform DoD contracting and acquisition, and I hope that the Pentagon will take pro-active steps to address cost-overruns, to strengthen oversight, to limit sole-source contracts, and to rein in the unjustified and uncontrolled growth in outsourcing.

The Defense Appropriations Subcommittee has focused closely on these very issues in recent years, including reducing funds for outsourcing, funding additional oversight personnel, and reducing hundreds-of-millions of dollars from procurement programs that have experienced significant delays and cost overruns.

Some of the major procurement decisions will have to be addressed in either the upcoming supplemental or as we mark-up the FY10 bill. I'd like to briefly comment on some of these programs, and then entertain any questions that you may have.

ARMY

Armed Reconnaissance Helicopter (ARH)/AH-64

The Armed Reconnaissance Helicopter program was anticipated to cost \$5.9 billion and include the procurement of 512 helicopters. Because of delays and the near doubling of program costs, the Congress cut \$197 million and 16 aircraft from the program in FY09. As a result of a Nunn-McCurdy breach, the program was terminated in October 2008.

As a result, the Army now plans to upgrade at least two of the remaining four AH-64A Apache Battalions to D-specifications and they are assessing whether they need to upgrade more. The Committee was in the forefront of these upgrades, and we added funding to initiate a program in the FY08 supplemental because of the need for more deployable AH-64s.

Future Combat Systems (FCS)

The Army's Future Combat Systems began in 2003 and the first FCS equipped brigade is scheduled to be fielded between 2015 and 2017. The FCS program originally included 18 subsystems, but currently 4 of these subsystems have been deferred.

I visited the program last year at Fort Bliss, and I challenged the Army to focus on the parts of FCS that are ready to show results and that can be fielded. I believe that the Army is doing this with their current decision to spin out FCS technology for infantry brigades, the type of brigade in most demand for the current conflicts.

The GAO continues to have reservations about whether the FCS technology is mature enough to be moving towards production in a little over four years, and the Committee remains concerned about the programs overall affordability. Specifically, cost estimates range from the Army saying \$160 billion, and the GAO saying the program is more likely to cost \$234 billion.

AIR FORCE

C-17's

The media, and most recently the Washington Post, have criticized Congress for adding funds to procure additional C-17 cargo planes. In testimony just last week, the Air Force said that "the C-17 continues to be the backbone of the Nation's strategic air mobility fleet and it is "soldiering" along every day, under an incredibly difficult operational tempo. It is truly an airplane for the times — designed and built for both expeditionary and major contingency operations providing great depth and breadth to the mobility "playbook."

We have an 8,000 mile supply line between the United States and Afghanistan, and our airlift capabilities are currently performed by the C-17, the C-5, and the C-130 cargo aircraft. With the recently announced force level increases in Afghanistan, airlift will become even more important to re-supply our forces in that theater.

It's time to reevaluate how large of a C-5A fleet we need, and the Committee is looking into the cost of continuing to operate these legacy aircraft.

F-22 Raptor

Congress has fully funded the procurement of 183 F-22 Raptor

aircraft. In the FY09 bill, we fully funded 20 aircraft, the last of the multi-year buy, and provided Advance Procurement for the next lot of 20-aircraft. The Air Force tells us they have a requirement for additional F-22's.

The Department has dragged their feet for too long on the F-22, and its time to make a decision on the future of this program.

Aerial Refueling Tanker

The aerial refueling tanker is also essential in maintaining a supply line to our troops in Iraq and Afghanistan. Today, the current fleet of 454 KC-135's are on average 48 years old.

The Air Force first proposed replacing the KC-135's in 2001, yet we still have no replacement for these tankers. The flying hour costs for the new tanker, the KC-X, may be as much as half the flying hour costs for the current tanker. Replacing them sooner will save us billions of dollars in life cycle costs.

The Department originally planned to produce one replacement tanker per month. At that rate, it will take us over 35 years to replace the KC-135 fleet.

I recently visited the production site for both Boeing's and EADS/Northrop Grumman's proposed tanker. I was impressed with the capabilities and enthusiasm of both places.

One of the problems with this program is that regardless of which proposal is selected in the next round of competition, the losing team will likely protest the decision and further delay the process. The result — additional costs for maintaining the current fleet and increased safety risks from continuing to fly legacy aircraft.

Even if we start now, we will not begin to start production

of a replacement tanker until at least 2013, taking us 12 years since the Air Force first proposed the program.

I have made the suggestion that we explore the possibility of a dual-source buy, and that given this possibility we can produce at least two tankers per month.

Joint Strike Fighter (JSF)

The F-35 Joint Strike Fighter represents the future of the Nation's tactical aircraft capability. The program will provide jets for generations of Navy, Marine Corps, and Air Force aviators. However, the Department has proposed an extremely aggressive test schedule for the aircraft which has recently been extended due to delays in the aircraft manufacturing process.

The Department needs to work closely with the Congress on these issues as well as address as part of the budget an alternate engine for the aircraft to ensure the success of this program and our Nation's tactical air future.

NAVY

Shipbuilding

I have been saying for the past two years that the Navy's current shipbuilding request is grossly inadequate to meet the goal of a 313 ship fleet. The Navy estimates that we must average 10-12 new ships per year between now and 2020 to grow the fleet, yet the reality is that the Navy has not constructed at least 10 ships in a single year since 1992.

We continue to closely monitor the shipbuilding program, and we have added funds over the past few years for construction of additional ships. I've discussed this issue with the CNO recently, and I'm hopeful that the Administration will send us a FY10 request that includes construction of at least 10 new ships.

VH-71 Presidential Helicopter

Long before the recent uproar regarding the President Helicopter, the Committee had concerns with the program's significant cost increase and delays. The VH-71 program was originally envisioned as a commercial derivative aircraft, but now Increment II has turned into an entirely new class of helicopter that bears little resemblance to its commercial roots. This in turn, has resulted in run-away cost growth.

In the House Report we said, "The Department should consider not moving the program beyond the Increment I phase and should complete the necessary modifications to make the Increment I aircraft operationally suitable."

The modifications to Increment II have pushed its costs to an estimated \$487 million per aircraft.

Congress cut the continued R&D for Increment II by nearly \$213 million in FY09, and we said in our report that "because of the inconceivable costs associated with the development of Increment II, the Committee harbors serious reservations about moving forward with Increment II."

We need a new Presidential Helicopter, but we're not going to pay nearly \$500 million for one helicopter, period.