

# United States Air Force

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Presentation

Before the House Appropriations  
Committee, Subcommittee on Military  
Construction and Veterans Affairs

## ***Air Force Fiscal Year 2013 Budget Overview***

Witness Statement of  
General Norton A. Schwartz  
Chief of Staff, United States Air Force

March 1, 2012

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## BIOGRAPHY

### UNITED STATES AIR FORCE

#### GENERAL NORTON A. SCHWARTZ

Gen. Norton A. Schwartz is Chief of Staff of the U.S. Air Force, Washington, D.C. As Chief, he serves as the senior uniformed Air Force officer responsible for the organization, training and equipping of 680,000 active-duty, Guard, Reserve and civilian forces serving in the United States and overseas. As a member of the Joint Chiefs of Staff, the general and other service chiefs function as military advisers to the Secretary of Defense, National Security Council and the President.

General Schwartz graduated from the U.S. Air Force Academy in 1973. He is an alumnus of the National War College, a member of the Council on Foreign Relations, and a 1994 Fellow of Massachusetts Institute of Technology's Seminar XXI. He has served as Commander of the Special Operations Command-Pacific, as well as Alaskan Command, Alaskan North American Aerospace Defense Command Region, and the 11th Air Force. Prior to assuming his current position, General Schwartz was Commander, U.S. Transportation Command and served as the single manager for global air, land and sea transportation for the Department of Defense.



General Schwartz is a command pilot with more than 4,400 flying hours in a variety of aircraft. He participated as a crewmember in the 1975 airlift evacuation of Saigon, and in 1991 served as Chief of Staff of the Joint Special Operations Task Force for Northern Iraq in operations Desert Shield and Desert Storm. In 1997, he led the Joint Task Force that prepared for the noncombatant evacuation of U.S. citizens in Cambodia.

#### EDUCATION

1973 Bachelor's degree in political science and international affairs, U.S. Air Force Academy, Colorado Springs, Colo.

1977 Squadron Officer School, Maxwell AFB, Ala.

1983 Master's degree in business administration, Central Michigan University, Mount Pleasant

1984 Armed Forces Staff College, Norfolk, Va.

1989 National War College, Fort Lesley J. McNair, Washington, D.C.

1994 Fellow, Seminar XXI, Massachusetts Institute of Technology, Cambridge

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## ASSIGNMENTS

1. August 1973 - September 1974, student, undergraduate pilot training, Laughlin AFB, Texas
2. October 1974 - January 1975, student, C-130 initial qualification training, Little Rock AFB, Ark.
3. February 1975 - October 1977, C-130E aircraft commander, 776th and 21st tactical airlift squadrons, Clark Air Base, Philippines
4. October 1977 - December 1977, student, Squadron Officer School, Maxwell AFB, Ala.
5. December 1977 - October 1979, C-130E/H flight examiner, 61st Tactical Airlift Squadron, Little Rock AFB, Ark.
6. October 1979 - November 1980, intern, Air Staff Training Program, Office of the Deputy Chief of Staff for Plans, Operations and Readiness, Headquarters U.S. Air Force, Washington, D.C.
7. November 1980 - July 1983, MC-130E flight examiner, 8th Special Operations Squadron, Hurlburt Field, Fla.
8. July 1983 - January 1984, student, Armed Forces Staff College, Norfolk, Va.
9. January 1984 - April 1986, action officer, Directorate of Plans, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
10. May 1986 - June 1988, Commander, 36th Tactical Airlift Squadron, McChord AFB, Wash.
11. August 1988 - June 1989, student, National War College, Fort Lesley J. McNair, Washington, D.C.
12. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany
13. August 1991 - May 1993, Deputy Commander for Operations and Commander, 1st Special Operations Group, Hurlburt Field, Fla.
14. May 1993 - May 1995, Deputy Director of Operations, later, Deputy Director of Forces, Office of the Deputy Chief of Staff for Plans and Operations, Headquarters U.S. Air Force, Washington, D.C.
15. June 1995 - May 1997, Commander, 16th Special Operations Wing, Hurlburt Field, Fla.
16. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii
17. October 1998 - January 2000, Director of Strategic Planning, Deputy Chief of Staff for Plans and Programs, Headquarters U.S. Air Force, Washington, D.C.
18. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla.
19. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska
20. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C.
21. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C.
22. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill.
23. August 2008 - present, Chief of Staff, Headquarters U.S. Air Force, Washington, D.C.

## SUMMARY OF JOINT ASSIGNMENTS

1. July 1989 - July 1991, Director of Plans and Policy, Special Operations Command Europe, Patch Barracks, Stuttgart-Vaihingen, Germany, as a colonel
2. June 1997 - October 1998, Commander, Special Operations Command, Pacific, Camp H.M. Smith, Hawaii, as a brigadier general
3. January 2000 - September 2000, Deputy Commander in Chief, U.S. Special Operations Command, MacDill AFB, Fla., as a lieutenant general
4. September 2000 - October 2002, Commander, Alaskan Command, Alaskan North American Aerospace Defense Command Region and 11th Air Force, Elmendorf AFB, Alaska, as a lieutenant general
5. October 2002 - October 2004, Director for Operations, the Joint Staff, Washington, D.C., as a lieutenant general
6. October 2004 - August 2005, Director, the Joint Staff, Washington, D. C., as a lieutenant general
7. September 2005 - August 2008, Commander, U.S. Transportation Command, Scott AFB, Ill., as a general

## FLIGHT INFORMATION

Rating: Command pilot

Flight hours: More than 4,400

Aircraft flown: C-130E/H, MC-130E/H/P, HC-130, AC-130H/U, YMC-130, MH-53 and MH-60

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## **MAJOR AWARDS AND DECORATIONS**

Defense Distinguished Service Medal with two oak leaf clusters  
Distinguished Service Medal  
Defense Superior Service Medal with oak leaf cluster  
Legion of Merit with two oak leaf clusters  
Defense Meritorious Service Medal  
Meritorious Service Medal with two oak leaf clusters  
Air Force Commendation Medal with oak leaf cluster  
Army Commendation Medal

## **EFFECTIVE DATES OF PROMOTION**

Second Lieutenant June 6, 1973  
First Lieutenant June 6, 1975  
Captain June 6, 1977  
Major Nov. 1, 1982  
Lieutenant Colonel March 1, 1985  
Colonel Feb. 1, 1991  
Brigadier General Jan. 1, 1996  
Major General March 4, 1999  
Lieutenant General Jan. 18, 2000  
General Oct. 1, 2005

(Current as of August 2009)

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## **Introduction**

Shaped by a dynamic geostrategic environment, uncertain economic circumstances, and the diffusion of regional centers of influence, the new Department of Defense Strategic Guidance focuses our limited resources on deterring and defeating aggression across all domains, maintaining a safe, secure, and effective nuclear deterrent, and protecting the homeland, while carefully reducing the capacity of forces to ensure the quality of that force. The United States Air Force plays an integral role in the refined guidance, and has taken care to protect the distinctive capabilities that we provide every day to our Joint, Interagency, and Coalition partners. These enduring capabilities include control of air, space, and cyberspace; providing global intelligence, surveillance, and reconnaissance; rapidly moving people and materiel to distant destinations worldwide; and holding targets at risk globally. We also deliver cross-domain, high-capacity command and control capabilities to implement these capabilities effectively, across the full spectrum of conflict.

We made very difficult decisions to achieve the Air Force's share of the \$487 billion in defense savings as mandated by the Budget Control Act of 2011. Our five focus areas—Force Structure, Readiness, Modernization, More Disciplined Use of Defense Dollars, and Taking Care of Our People—were integral to our allocating facilities funding as we continued to focus on five Service priorities, which serve as a framework for this testimony: (1) continue to strengthen the nuclear enterprise; (2) partner with the Joint and Coalition team to win today's fight; (3) develop and care for our Airmen and their families; (4) modernize our air, space, and cyber inventories, organizations, and training; and (5) recapture acquisition excellence. In addition, as funding for military construction becomes more scarce, we made a deliberate effort to build only where existing capacity was not available, or where the cost-benefit analysis validated demolishing aging facilities and replacing them with more efficient and functional new ones. We are also evaluating policies and contracting mechanisms in an effort to reduce construction costs and incorporate industry best practices in life cycle management.

## **Overview**

Our Fiscal Year 2013 President's Budget Request contains approximately \$3.9 billion for military construction, military family housing, and facility sustainment, restoration, and modernization. For military construction, we request \$442 million, which is \$900 million less than Fiscal Year 2012. This deliberate pause in our program is an acceptable risk in light of

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ongoing force structure decisions stemming from the new Defense Strategic Guidance. Our most critical projects are captured in this request. One example of how our force structure decisions affected military construction is the removal of projects supporting the C-27 from the program. In addition, we accepted some risk by electing to wait a year to fund current mission requirements, channeling the limited resources to Combatant Commander needs and new mission work. We sought to fund our components in accordance with their equity in built infrastructure, but the combination of the austere funding environment and component priorities led to a shortfall in the Air Force Reserve.

We advance our efforts to provide quality housing for Airmen and their families by dedicating nearly \$500 million to sustaining and modernizing overseas housing, and supporting housing privatization in the United States. Unaccompanied Airmen remain a top priority, so we request \$118 million to invest in dormitories, keeping us on track to meet our goal of eliminating inadequate housing for unaccompanied Airmen by 2017.

Finally, we request restoration and modernization funding at 90 percent of historical levels, and sustainment funding at slightly over 80 percent of the OSD modeled requirement. For the first time, restoration and modernization funds will be centrally managed to address the most critical need first, with maintenance efforts that will be tracked to ensure mission success. It is important to note that these decisions represent risk to our facilities, although not more significant than other tough choices in force structure. We believe that our maturing centralized asset management and condition-based maintenance approach will help mitigate this risk.

### **Continue to Strengthen the Nuclear Enterprise**

The Air Force is the proud steward of two-thirds of the Nation's nuclear Triad, operating, securing, and maintaining the weapons that enable a safe and effective deterrent. Accordingly, our number one priority remains to continue strengthening the nuclear enterprise, with a continued focus on compliance, reliability, and accountability from the men and women who fly the bombers and man the missile alert facilities in a state of constant vigilance. The Fiscal Year 2013 budget request supports the stand-up of an additional B-52 squadron at Minot AFB, North Dakota, with \$4.6 million for a munitions equipment maintenance facility addition.

### **Partner with the Joint and Coalition Team to Win Today's Fight**

The Air Force continues to be an indispensable member of the Joint team, with Airmen who make significant contributions in controlling the domains of air and space; providing

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unprecedented advantages in intelligence, surveillance, and reconnaissance; moving people and cargo with unmatched rapidity around the world; and providing the ability to hold at risk potential targets worldwide. We currently have more than 30,000 Airmen deployed, including nearly 2,300 Air Force civil engineers. Of particular note, our Air Force Rapid Engineer Deployable Heavy Operational and Repair Squadron Engineers (RED HORSE) and our Prime Base Engineer Emergency Force (Prime BEEF) personnel are the recognized experts in providing installation engineering and airfield capabilities for the joint warfighter.

Our Fiscal Year 2013 budget request invests \$193.3 million in projects that support our Joint partners around the world. Examples include:

- *Projects supporting our combatant commanders that will greatly enhance ongoing operations.* This includes the recapitalization of Headquarters, United States Strategic Command at Offutt AFB, Nebraska.
- *New facilities for operations and mission support.* An expanded air support operations facility at Fort Stewart, Georgia, will allow us to consolidate personnel on the same installation as their Joint partners, enabling the synergistic effects of training, working, and living together.
- *Intelligence, surveillance, and reconnaissance facilities.* The new MQ-9 maintenance hangar at Holloman AFB, New Mexico, will provide adequate cover for work on the sensitive aircraft, ultimately ensuring that we meet the training requirements of aircrews.

### **Develop and Care for Airmen and Their Families**

The all-volunteer force is the foundation of the capabilities that we contribute to the defense of the Nation. In our Fiscal Year 2013 budget request, we continue to emphasize providing desirable housing and striving to maintain the overall quality of life for our Airmen and their families. Our new 2012-2016 Dormitory Master Plan will guide our future investments for sustaining existing facilities and recapitalizing those which are inadequate.

- *Billeting*

As part of our basing efficiencies initiative, we propose construction of a \$17.6 million transient contingency dorm to house personnel supporting rotational aircraft that are transiting through Europe. This project, when coupled with the elimination of the host nation maintenance contract and real property consolidation, has a payback period of two years.



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- *Dormitories*

The Air Force continues to place a high priority on quality housing for our unaccompanied Airmen. Our Fiscal Year 2013 budget request includes two dormitory projects totaling \$42.5 million—one at Joint Base San Antonio, Texas, to replace an inadequate facility with severe infrastructure problems, and the other at Thule AB, Greenland, to replace an inadequate 58-year-old building and to contribute to consolidation efforts at Thule that have a payback period of less than three years, reduce energy consumption by 35 percent, and are projected to save \$20 million annually in future years. Collectively, these projects represent another step in our quest to provide adequate housing for all unaccompanied Airmen by 2017.

- *Military Family Housing*

As we progress through 2012, we are nearing completion of our efforts to privatize family housing in the continental United States. This allows us to deliver high quality homes to our members more quickly than ever before, and at significant savings to the taxpayer. Our Fiscal Year 2013 budget request for military family housing is approximately \$580 million. Included in this request is \$84 million to improve 400 homes and upgrade infrastructure in Japan, as well as nearly \$500 million to fund operations, maintenance, utilities, and leases, and to manage privatized units for the family housing program.

### **Modernize our Air, Space, and Cyberspace Inventories, Organizations, and Training**

Even in the face of declining budgets, we must continue to modernize our force to meet the Nation's requirements. Although the pace and scope of this modernization will moderate, we must protect programs that are critical to future warfighter needs. Our Fiscal Year 2013 request continues to invest in the beddown of new weapon systems. We request \$93.5 million for a variety of military construction projects, including:

- *Three projects to continue the bed down of our newest fighter, the F-35.* These projects provide facilities at Hill AFB, Utah, in anticipation of potential aircraft deliveries in 2015.
- *Three projects supporting our HC/C-130J fleet.* These projects include a fuel systems maintenance hangar at Little Rock AFB, Arkansas, and flight simulators at Little Rock AFB, Arkansas, and Moody AFB, Georgia.
- *Other projects.* These will support diverse mission areas, including F-22 support at Tyndall AFB, Florida; F-16 training at Aviano AB, Italy; and efforts that are designed to



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attain the overseas basing efficiencies that were discussed previously, which are projected to save up to \$120 million over the FYDP.

### **Recapture Acquisition Excellence**

The Department of Defense budget reductions, mandated by the Budget Control Act of 2011, help to underwrite the effort to address the Nation's fiscal challenges. The Air Force continues to enforce disciplined use of precious defense dollars. In addition to the maturation of our asset management principles, which allow us to use economies of scale to get the most benefit from our funding, our civil engineer community is teaming with our partners in the Army and Navy to assess factors that drive defense construction costs higher than comparable facilities in the private sector. In Fiscal Year 2013, we are adopting a number of cost optimization initiatives on a trial basis, with the goal of increasing the efficacy of our future investments.

### **Other Programs of Note**

- *Base Realignment and Closure Actions*

All BRAC 2005 recommendations were implemented on schedule in 2011. Unfortunately, BRAC 2005 fell short of the Air Force's goal to reduce excess capacity. According to the Department of Defense's 2004 report to Congress, the Air Force's infrastructure was at 24% in excess of requirements. Seven years later, we have closed seven minor installations, and reduced our force by 500 aircraft. Because the Air Force's current excess infrastructure can be effectively reduced only through a future BRAC effort, the Air Force supports OSD's request to Congress to consider future rounds of base realignment and closure.

- *Joint Basing*

The last seven of twelve joint bases achieved full operating capability on October 1, 2010, ahead of the BRAC deadline. Significant progress has been made, and by the end of FY 2011, we met 88% of the common output level standards at the six installations where we are the lead Service. We expect to begin realizing efficiencies from joint basing in the near term while providing standardized installation support services to our Joint partners at a reduced cost.

- *Energy*

The Air Force energy vision consists of demand reduction through conservation and efficiency, supply increase via alternative energy sources, and a fostered culture where energy is thoughtfully considered by all Airmen as they execute their missions. In pursuit of this vision,

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the Air Force continues to be a government leader in advancing energy awareness. There are many challenges on the road ahead for our energy programs, including tighter budgets, more extreme weather patterns, and fluctuating energy costs. We will address these challenges by continuing to focus resources on proven, high-return projects at the right bases and at the right time. In addition, we are reinvigorating the use of third party financing, which contributes to achieving our goals by leveraging private investment for large-scale, long-term energy initiatives. The Air Force remains committed to reducing its greenhouse gas emissions and carbon footprint by reducing consumption of fossil fuels, both directly by vehicles and facilities, and indirectly through more discriminate use of fossil fuel-generated electricity from the national electric grids. In Fiscal Year 2013, we will continue these conservation efforts, which already have helped us avoid nearly \$600 million in energy costs since 2010. We remain on target to meet our goal of obtaining 25% of our electrical energy from renewable resources.

### **Conclusion**

The Air Force remains an integral component of the Joint team. We strive to provide the critical capabilities of domain control; intelligence, surveillance, and reconnaissance; rapid global mobility; and global strike to sustain the United States' military advantage in an uncertain world. Our Airmen continue to embody excellence in their support of combatant commanders around the globe, across the full spectrum of military operations.

Our Fiscal Year 2013 budget request satisfies our most pressing needs, and it stays true to the five fundamental priorities of our Air Force. We continue to mature our use of centralized asset management principles to mitigate the risk that we accept by deferring recapitalization of current mission facilities. And, we remain committed to caring for our Airmen and their families as we strive to eliminate inadequate housing by 2018, and to complete our privatized housing initiative in the United States by 2013.

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