



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

JUN 22 2012

The Honorable Daniel K. Inouye
Chairman
Subcommittee on Defense
Committee on Appropriations
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

Thank you for your June 14, 2012, letter regarding force structure changes in the Air Force. I received a similar letter on June 8 from Senator Levin strongly discouraging force structure changes by the Air Force that would pre-judge the outcome of congressional deliberations on the FY 2013 President's Budget (PB).

Both the House-passed FY 2013 National Defense Authorization Act (NDAA) and the FY 2013 NDAA reported by the Senate Armed Services Committee (SASC) would reject or defer Air Force force structure adjustments and related savings proposed in FY 2013 and would authorize an additional \$1.4 billion to cover this cost. Secretary Donley committed to waiting for congressional deliberations before implementing the proposed FY 2013 force structure changes in congressional testimony earlier this year and has assured me the Air Force stands by that commitment.

In addition, however, the SASC report language strongly urged the Air Force to suspend all force structure adjustments until October 1, 2013, to provide the Committee an opportunity to review recommendations from their proposed Commission on the Structure of the Air Force. The FY 2013 SASC bill would also prohibit any expenditure of funds after October 1, 2012, to effect force structure changes, potentially including those in approved budgets from previous years. This provision has introduced a new dimension of complexity to the current situation, as it impacts force structure adjustments addressed in budgets from FY 2010, FY 2011, and FY 2012 involving the transfer of approximately 150 aircraft among various locations and the retirement of 98 aircraft, that are scheduled to transfer or retire in the FY 2012 and FY 2013 timeframe.

The FY 2013 PB builds upon the force structure changes included in previous budget years. The Department supports both the earlier force structure changes and the force structure changes proposed by the Air Force in the FY 2013 PB. The difficult choices made in the FY 2013 PB, reviewed by the Office of the Secretary of Defense and the Joint Chiefs of Staff, were consistent with strategic guidance and will provide balanced force capabilities and sustainable deployment cycles for the total Air Force -- Active, Guard, and Reserve. We also believe authorization is in place that would support continuation of force structure adjustments included in the budgets for FY 2010 through FY 2012. However, the FY 2013 NDAA language now under consideration introduces the possibility that these transfers and retirements may be revisited by Congress or may lack the FY 2013 funding necessary to proceed. While the Air Force could proceed with these previously addressed moves, the more prudent course of action is to take a cautious approach.

Therefore, I have directed the Air Force to suspend aircraft transfers and retirements previously scheduled for implementation in FY 2012 with the expectation that Congress completes action on the FY 2013 defense authorization and appropriation bills prior to the end of the fiscal year, providing clear support for a way forward.

We need to be mindful of the potential operational and cost impacts that could emerge from such delay. Further, we must recognize that the lingering uncertainty has direct effects on airmen and their families. I have asked Secretary Donley to work with your staffs to identify those transfers and retirements where Congress and the Air Force, including the Air National Guard and Air Force Reserve, agree that previously addressed force structure changes should move forward and also provide you with cost estimates for the force structure and aircraft whose transfer or retirement are being delayed.

I would also caution that delaying FY 2013 force structure decisions and potentially revisiting decisions from earlier budget cycles will only make our FY 2014 deliberations even more complex and difficult. These delays impact our military capability and introduce uncertainty in future missions and training schedules for the effected units; and they will also delay the Department's ability to reach the level of budget reductions mandated in the 2011 Budget Control Act.

Thank you again for your strong support of this Department and our men and women in uniform. I look forward to working closely with you as we move toward completion of the legislative cycle later this year. A similar letter has been sent to Senator Levin and the Chairmen and Ranking Members of the House and Senate defense committees.

Sincerely,

A handwritten signature in dark ink, appearing to be the signature of the Secretary of Defense, is written over a horizontal line.

cc:
The Honorable Thad Cochran
Vice Chairman