

NOT FOR PUBLICATION UNTIL RELEASED BY THE
SENATE ARMED SERVICES COMMITTEE
AIRLAND SUBCOMMITTEE

STATEMENT OF

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(AIR PROGRAMS)

BEFORE THE

AIRLAND SUBCOMMITTEE

OF THE

SENATE ARMED SERVICES COMMITTEE

ON

FISCAL YEAR 2008 NAVY/MARINE CORPS AVIATION PROGRAMS

APRIL 26, 2007

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Mr. Chairman, distinguished members of your Subcommittee, thank you for providing us with this opportunity to appear before you to discuss the Department of the Navy's Fiscal Year 2008 aviation programs.

AVIATION PROGRAMS

The Fiscal Year 2008 President's Budget request balances continued recapitalization in obtaining new capabilities and reducing operating costs while simultaneously sustaining the legacy fleet aircraft that are performing magnificently in current operations. We continue to execute numerous multi-year procurements (MYP) to achieve significant savings in procurement accounts. The Department's Fiscal Year 2008 Budget request continues MYP arrangements for the F/A-18E/F (airframe only), KC-130J, MH-60S (engines and airframe), MH-60R (airframe and the V-22. Our proposed plan will procure 48 tactical, fixed wing aircraft (6 F-35Bs, 24 F/A-18E/Fs, and 18 EA-18Gs), as well as, 21 MV-22s, 4 KC-130Js, 20 UH-1Y/AH-1Z helicopters, 18 MH-60S helicopters and 27 MH-60R helicopters. This plan also continues the development of the F-35, the E-2D Advanced Hawkeye, the EA-18G, the Presidential Helicopter replacement aircraft (VH-71), the CH-53K Heavy Lift Replacement aircraft and the P-8A Multi-mission Maritime Aircraft (MMA).

F/A-18 E/F

The Fiscal Year 2008 Budget requests \$2.1B in APN for 24 F/A-18 E/F aircraft for the fourth year of the five-year MYP contract (Fiscal Year 2005 to 2009). The F/A-18E/F continues to transition into the fleet, improving the survivability and strike capability of the carrier air wing. The Super Hornet provides a 40 percent increase in combat radius, 50 percent increase in endurance, and 25 percent increase in weapons payload over our older Hornets. Over 386 F/A-18E/Fs will be procured through Fiscal Year 2007, on track to complete procurement of the program of record 490 aircraft in 2012. The Super Hornet has used a spiral development approach to incorporate new technologies, such as the Joint Helmet Mounted Cueing System, Advanced Targeting FLIR, Shared Reconnaissance Pod System and Multifunctional Information Distribution System data link. The Active Electronically Scanned Array (AESA) radar system has completed operational testing and the full rate production decision is scheduled for spring 2007. The first tactical AESA equipped F/A-18F squadron has now received all twelve of its allotted aircraft with full ILS support. The FA-18E/F Fiscal Year 2008 Budget request also includes \$442M to implement commonality, maintain capabilities and improve reliability and structural safety.

F-35 Joint Strike Fighter (JSF)

The Fiscal Year 2008 Budget requests \$1.7B RDT&E for continuation of F-35 System Development and Demonstration (SDD) and \$1.3B APN (including spares) for the DoN Low Rate Initial Production lot two (LRIP 2) for six Short Takeoff and Vertical Landing (STOVL) aircraft with \$120M long lead funding for eight STOVL aircraft as part of LRIP 3. As a 5th generation weapon system, the JSF will enhance precision strike capability with unprecedented stealth, range, sensor fusion, improved radar performance, combat identification and electronic attack capabilities compared to legacy platforms. The carrier variant (CV) JSF complements the F/A-18E/F and EA-18G in providing long-range strike capability and much improved persistence over the battlefield. The STOVL JSF combines the multi-role versatility of the F/A-

18 and the basing flexibility of the AV-8B. The commonality designed into the JSF program will reduce acquisition and operating costs of Navy and Marine Corps tactical aircraft, and allow enhanced interoperability with our Allies and sister Services.

The JSF is mid-way through the sixth year of SDD, executing to the approved replan that commenced three years ago. The program continues detailed design work for all three variants, with the LRIP 1 contract for two Conventional Take Off and Landing (CTOL) aircraft planned for April 2007. The initial CTOL aircraft (AA-1) successfully completed first flight on December 15, 2006; flew six times in January 2007, and resumed flights in March following a planned maintenance period. AA-1 flights will continue over the next two years. Manufacture and assembly of other flight test aircraft is well underway, with assembly times much less than planned and exceptional quality demonstrated in fabrication, assembly and mate. Eleven development aircraft are now in various phases of assembly. STOVL first flight is projected in May 2008 reflecting a delay to incorporate lessons learned from the manufacture of the first CTOL aircraft.

The JSF program has aggressively addressed earlier performance issues associated with weight and airframe design. Weight control remains a focus and priority of the program and weight reduction trades continue to be investigated. The first test aircraft was completed with unprecedented assembly fit and quality, problem-free power-on, rapid execution of engine and secondary-power tests and actual weight within 0.1% of predicted. While the first test aircraft lacks some design changes, demonstrated manufacturing processes and outcomes justify high confidence in design and weight predictions for all variants due to commonality of design, tools and manufacturing methods. The F135 engine development is on track with performance meeting expectations. Over 7300 hours on 12 engines have been completed through early April 2007. The JSF acquisition strategy, including software development, continues to reflect a block approach. The CTOL/STOVL Air System Critical Design Review was successfully completed in March 2006. The CV Air System Critical Design Review is scheduled for summer 2007, and will evaluate design maturity and performance against requirements. The STOVL and CV variants are projected to meet their respective Key Performance Parameters.

The DoN supports the President's Budget request not to provide funding for JSF alternate engine (F136) development. The DoN maintains there are higher priority needs in the budget and that the risks associated with a single engine supplier are acceptable. The Fiscal Year 2007 DoD Authorization Act directed three independent analyses of alternatives propulsion strategies including various cost implications. The studies by IDA, CAIG and GAO have been completed. The conclusions, while supportive of competition in general, support the Department's initial findings that the expected savings from competition do not outweigh the investment costs. All three studies however, concluded that other benefits might result from competition. The costs to establish an alternative engine, however out weigh those potential benefits.

E-2D Advanced Hawkeye (AHE)

The Fiscal Year 2008 Budget requests \$809.0M in RDT&E for continuation of SDD and three pilot production aircraft. The E-2D Advanced Hawkeye is a critical enabler of transformational intelligence, surveillance and reconnaissance, providing a robust overland capability against current and future cruise missile-type targets. The Advanced Hawkeye program modernizes the

E-2 platform by replacing the current radar and other system components to maintain open ocean capability while adding transformational surveillance as well as theater air and missile defense capabilities.

F/A-18 A/B/C/D

The Fiscal Year 2008 Budget requests \$442M for the continuation of the systems upgrade programs for the F/A-18 platform. As the F/A-18 program transitions to the F/A-18E/F, the existing inventory of over 662 F/A-18A/B/C/Ds will continue to comprise half of the Carrier Strike Group until 2012. Included in this request is the continued procurement of recently fielded systems such as the Joint Helmet Mounted Cueing System, Advanced Targeting FLIR, Multi-Function Information Distribution System, and Digital Communications System. The Marine Corps continues to upgrade 61 Lot 7-11 F/A-18A models to Lot 17 F/A-18C avionics aircraft capability with digital communications and tactical data link. The Marine Corps anticipates programmed upgrades to enhance the current capabilities of the F/A-18C/D with digital communications, tactical data link and tactical reconnaissance systems. This upgrade ensures that our F/A-18s remain viable and relevant in support of Tactical Air Integration and Expeditionary Maneuver Warfare. The Marines expect the F/A-18A+ to remain in the active inventory until 2018. The Marines are also employing the LITENING targeting pod on the F/A-18C/D aircraft in expeditionary operations, to include OIF. When combined with data link hardware, the LITENING pod provides real time video to ground forces engaged with the enemy through Remotely Operated Video Enhanced Receiver (ROVER) workstations. Continued analysis on TACAIR inventories will continue throughout 2007 and beyond to determine the health of the legacy fleet as the F/A-18A-D is transitioned to the F-35.

EA-6B

The Fiscal Year 2008 Budget requests \$30.6M in APN for procurement of critical Airborne Electronic Attack (AEA) products and continuing EA-6B upgrades and readiness improvements that increase the operational availability and reduce operating cost of this high demand aircraft. Upgrades include procuring ten Low Band Transmitters to provide a new jamming capability as well as replace aging transmitters and will be employed on EA-6B and EA-18G aircraft. The budget request also provides for Operational Safety Improvement Program procurements for avionics and structural equipment. The EA-6B is in near continuous use in Iraq and Afghanistan today in support of our troops on the ground as DoD's only tactical electronic attack aircraft performing communications jamming and information operations missions. Program priorities are current readiness, successful continued deployment of ICAP III aircraft, and continued procurement of Low Band Transmitters.

EA-18G

The Fiscal Year 2008 Budget requests \$273M in RDT&E for continuation of SDD and \$1.32B in APN for 18 LRIP Lot 2 aircraft. The E/A-18G continues development as the Navy's replacement for the EA-6B AEA aircraft. The EA-18G will replace carrier-based Navy EA-6B aircraft by 2012. The Navy is using the F/A-18E/F MYP contract to buy the Lot 2 aircraft in Fiscal Year 2008. The SDD continues on schedule with the two development aircraft having flown in 2006 and currently in developmental test at NAWC Patuxent River. A total quantity of 26 aircraft will be procured in LRIP with a planned Fiscal Year 2009 IOC and Fiscal Year 2012 FOC.

Integrated Defensive Electronic Countermeasures (IDECM)

The Fiscal Year 2008 Budget requests \$131.4M in aircraft procurement for the procurement of 61 ALQ-214 on-board Radio Frequency Countermeasure and \$25.0M in Ammunition Procurement for 581 ALE-55 Fiber Optic Towed Decoys, pending a full rate production decision. The IDECM Block 3/ALE-55 Operational Test and Evaluation identified and a Full Rate Production decision are expected to be completed in Fiscal Year 2008.

Digital Radio Frequency Memory (DRFM) Onboard Jammer

The Fiscal Year 2008 Budget requests \$8.2M in RDT&E for development of an on-board jammer that will employ state-of-the-art Digital Radio Frequency Memory devices to replace the ALQ-126B Jammer that was last produced in 1991. This effort will measurably improve the survivability of Naval tactical aircraft by delaying, denying, and defeating threat air-to-air and surface-to-air missile systems operating in the radio frequency spectrum. The lead platform for the DRFM program is the F/A-18C/D, followed by the AV-8B. An Analysis of Alternatives has been initiated to investigate alternative solutions, costs, and schedules. This developmental effort is late-to-need and the capability is required to pace rapidly proliferating threat systems.

Tactical Aircraft Directed Infrared Countermeasures (TADIRCM)

The Fiscal Year 2008 Budget requests \$27.6M in RDT&E for development of an improved Missile Warning System (MWS) and Infrared Countermeasure (IRCM) for Navy and Marine Corps Helicopters. This system will provide aircrew protection against current and next generation IR guided MANPADs. The Analysis of Alternatives for TADIRCM has been completed, and the program is working towards a Milestone B in Fiscal Year 2008.

V-22

The Fiscal Year 2008 Budget requests \$2.0B in APN for procurement of 21 MV-22s and continued development of follow-on block upgrades. Our Acquisition Strategy calls for commencing a MYP in Fiscal Year 2008. Our MYP strategy supports a continued cost reduction and affordability trend, provides a stable basis for industry, and best supports the warfighter. The Advance Acquisition Contract funding associated with the first year of the Multi-Year Procurement and Fiscal Year 2007 Economic Ordering Quantity and Cost Reduction Investments is planned for award in spring 2007. The Air Force and Special Operations Command plan is to procure five CV-22 aircraft in Fiscal Year 2008.

The Navy is the lead service in developing, testing, evaluating, procuring, and fielding a tilt rotor, Vertical/Short Takeoff and Landing (V/STOL) aircraft for Joint Service application. The V-22 Program is designed to provide an aircraft to meet the amphibious/vertical assault needs of the Marine Corps, the strike rescue needs of the Navy, and the special operations needs of the Air Force and Special Operations Command. The MV-22 variant will replace the CH-46E and CH-53D in the Marine Corps and supplement the H-60 in the Navy. The CV-22 variant provides a new capability and will augment the MC-130 in the Air Force/Special Operations Command inventory for special operations infiltration, extraction, and re-supply missions. The existing MH-53 fleet will be drawn down commensurate with the fielding of the CV-22.

V-22 capability is being increased and fielded over time via a block upgrade acquisition strategy. MV-22 Block A provides a "Safe and Operational Test and Training Asset" configuration that is

supporting developmental flight test, operational flight test and fleet training. Block B provides for correction of previously identified deficiencies and suitability improvements. Block C provides mission enhancements, primarily in the areas of environmental control systems upgrades and mission systems improvements. CV-22 Block 0/10 is a CV-unique configuration for Special Operations capabilities to include radar and electronic countermeasures upgrades. CV-22 Block 20 provides an enhanced CV-unique configuration with planned communications and aircraft system performance upgrades. Both Osprey variants continue along their prescribed roadmaps for follow-on developmental and operational test.

The V-22 Program has successfully completed Operational Evaluation. Follow-on Test and Evaluation (FOT&E) activities continue on MV-22 aircraft in support of envelope expansion and engineering change incorporation. The MV-22 looks forward to an Initial Operational Capability (IOC) decision in 2007. The CV-22 began Block 0/10 operational testing in the summer of 2006 with an Operational Utility Evaluation (OUE) to allow release of an initial training capability. IOT&E, scheduled to begin in October 2007, will test the balance of the CV-22 capabilities and support an Initial Operational Capability decision (2009) for worldwide operations.

AH-1Z / UH-1Y

The Fiscal Year 2008 Budget requests \$518.5M in APN for 20 AH-1Z/UH-1Y aircraft and \$3.6M in RDT&E for continuation of H-1 Upgrades Engineering and Manufacturing Development (E&MD). The H-1 Upgrades Program will replace the Marine Corps' AH-1W and UH-1N helicopters with state-of-the-art AH-1Z and UH-1Y models. The program is a key modernization effort designed to resolve existing safety deficiencies, enhance operational effectiveness, and extend the service life of both aircraft. Additionally, the commonality gained between the AH-1Z and UH-1Y (84 percent) will significantly reduce life-cycle costs and logistical footprint, while increasing the maintainability and deployability of both aircraft. The program will remanufacture 180 AH-1W helicopters into AH-1Zs, remanufacture, 10 UH-1N/HH-1N into UH-1Y helicopters and build 90 new UH-1Y models.

The first low rate production aircraft was delivered in January 2007, and the final phase of OPEVAL will be completed in the second quarter of Fiscal Year 2008. The program continues to seek opportunities to reduce unit cost and minimize the negative impact the remanufacture strategy could have on ongoing military operations. We anticipate that some number of AH-1Z airframes will be newly fabricated instead of remanufactured in order to reduce the amount of time aircraft would otherwise be out of service. Funding to establish the capability to build complete AH-1Z aircraft has been requested in the Fiscal Year 2007 GWOT supplemental. The optimum mix of remanufactured and newly fabricated aircraft is being evaluated with the results to be reflected in future budget requests.

AV-8B

The Fiscal Year 2008 Budget requests \$17.4M RDT&E funds to support development of the Propulsion System Management Plan (PSMP) /Accelerated Simulated Mission Endurance Testing (ASMET), Tactical Moving Map Display, Litening Pod updates, and Aircraft Handling initiatives (including the Readiness Management Plan). The Fiscal Year 2008 Budget also requests \$40.5M procurement funding for Engine Production Line Transition efforts, Open

Systems Core Avionics Requirement (OSCAR) installs, PSMP upgrades, engine accessory obsolescence efforts, Day Attack Upgrade/Attrition Recovery efforts, Trainer aircraft upgrade efforts, Litening Pod upgrades, and Litening Pods on the aircraft centerline.

WEAPONS

In an era of uncertainty and shifting global threats, the Department of the Navy is developing and deploying strike weapons to enhance warfighter capabilities in an evolving threat environment. Our proposed budget would provide resources for weapon system enhancements to directly support troops deployed in the field, as well as continue to plan for potential near-peer competitors. Our plans take into account the lessons-learned from on-going combat operations as well as the results of our research and development efforts. The Fiscal Year 2008 weapons budget provides for affordable Strike and Precision Guided Weapons programs to ensure that America is secure at home; sea and air lanes are open for peaceful, productive commerce; and the capability developed and delivered is large enough, agile enough, and lethal enough to deter threats and defeat foes in support of Joint and Coalition Forces.

Tactical Tomahawk Cruise Missiles

The Tactical Tomahawk budget request supports the continued procurement of this combat proven, deep-attack weapon in order to replenish inventories that were diminished during combat operations. Tomahawk cruise missiles are currently being procured in a five-year Firm Fixed Price, Multi-Year Procurement contract that saves the taxpayers approximately 12% over annual procurement contracts. The Fiscal Year 2008 Budget request is \$383.1M for an additional 394 Block IV Tomahawk missiles and associated support.

Hellfire Weapons

While the Department of the Navy awaits Department of Defense direction on the development path for a next-generation forward firing precision-guided munition capable of being launched from fixed-wing, rotary-wing, and unmanned platforms, we are requesting continued support for legacy Hellfire weapons. Hellfire continues to be one of the priority weapons in the Global War on Terrorism (GWOT) and provides our Navy/Marine Corps warfighters the ability to attack targets in the caves of Afghanistan as well as the urban canyons of Baghdad. Our Fiscal Year 2008 Budget request is for \$45.7M for 439 weapons with a mix of Thermobaric blast/fragmentation and anti-armor warheads that provide operational flexibility to the warfighter.

Direct Attack Moving Target Capability (DAMTC)

Based upon feedback from the Combatant Commanders in Iraq and Afghanistan - and subsequently approved as a capability gap documented by the Joint Chiefs of Staff - the Department of the Navy plans to improve our ability to attack and strike moving targets. Our Fiscal Year 2008 Budget requests \$29.1 M in Fiscal Year 2008 and \$214.5 M across the FYDP for the DAMTC program. The program seeks to modify the existing inventory of 'Direct Attack' Joint Direct Attack Munition (JDAM) and or Laser Guided Bomb (LGB) weapons as the foundation for a dual-mode weapon that is capable of prosecuting moving targets. The acquisition will be conducted expeditiously to respond to an urgent warfighter need for a fixed-

wing aircraft moving target weapon. Initial Operating Capability is planned to occur in Fiscal Year 2009.

Joint Standoff Weapon (JSOW)

The combat proven JSOW family of joint Navy and Air Force air-to-ground weapons continues on cost and schedule to develop a JSOW C-1 variant. JSOW C-1 will provide a moving target capability to this “Standoff Outside Area Defense” weapon with the addition of a datalink and guidance software improvements to the highly successful JSOW-C variant. The Fiscal Year 2008 Budget requests \$24.9M to allow for continued BLK III development and \$131.3M for continued JSOW-C production totaling 421 All-Up-Rounds to fill inventories that remain below our approved Non-Nuclear Ordnance Requirements. Production of other JSOW variants remains deferred as we continue to work with the Office of the Secretary of Defense and our sister Services to resolve unexploded battlefield ordnance issues that are of a concern to the Department and our Allies.

Advanced Anti-Radiation Guided Missile (AARGM)

The AARGM development program will deliver a multi-spectral targeting capability, with supersonic fly-out, to destroy sophisticated enemy air defenses and time-sensitive strike targets. The program has completed all design reviews and will begin test firings this year. The weapon system will utilize and leverage off of integrated networks, and is scheduled to be deployed in Fiscal Year 2009 on the F/A-18 Hornet. The Fiscal Year 2008 Budget requests \$32.8M for the development and test program and requests \$41.3M for the first Low-Rate Initial Production of tactical and training weapons.

Harpoon Anti-Ship Cruise Missile

The Department of the Navy is requesting upgrade of our surface-launched and air-launched Harpoon cruise missiles to provide the all-weather, anti-surface warfare capability needed to operate with ‘improved selectivity’ in the cluttered environment of the littoral battlespace. Under the Harpoon BLK III Program, we plan on upgrading this very capable system to improve selectivity and enhance our standoff operations via integration of a two-way data-link for use under stringent Rules of Engagement. The Fiscal-Year 2008 Budget requests \$43.5M in RDT&E to develop this capability.

Advanced Medium-Range Air-to-Air Missile (AMRAAM) AIM-120

The Fiscal Year 2008 Budget requests \$4.58M in RDT&E to complete development efforts and \$87.5M for production of 79 all-up rounds and associated hardware. AMRAAM is a Joint Navy/Air Force (Air Force led) advanced, medium range missile that counters existing aircraft and cruise missile threats with advanced electronic attack capabilities operating at high/low altitudes from both beyond visual range and within visual range. AMRAAM provides an Air-to-Air First Look, First Shot, First Kill capability working within a networked environment in support of Sea Power 21’s Theater Air and Missile Defense Mission Area.

Sidewinder AIM-9X Air-to-Air Missile

The Fiscal Year 2008 Budget requests \$4.4M RDT&E and \$54.9M for production of 184 all-up rounds, Captive Air Training Missiles (CATMs), and associated hardware. The Joint Navy/Air

Force (Navy led) Sidewinder missile is the only short-range infrared Air-to-Air missile integrated on USN/USAF strike-fighter aircraft. The AIM-9X is the newest variant in the Sidewinder family. This 5th Generation 9X weapon incorporates high off-bore sight acquisition capability and thrust vectoring to achieve superior maneuverability and provides increased sensitivity through an imaging infrared focal plane array seeker and advanced processing.

OTHER SIGNIFICANT CAPABILITIES

Presidential Helicopter Replacement Aircraft (VH-71)

The Fiscal Year 2008 Budget requests \$271M in RDT&E for continuation of SDD for the VH-71 program. The VH-71 program is executing an evolutionary acquisition approach through a two-part incremental development to deliver a safe, survivable and capable Presidential Vertical Lift aircraft while providing uninterrupted communications with all required agencies. The goal of Increment 1 is to satisfy an urgent need to provide a replacement Presidential helicopter with capability equivalent to or better than the current inventory of aircraft. Increment 2 will provide enhanced performance and state-of-the-art communications capabilities to satisfy long-term needs. During the last year, the program initiated a phased Critical Design Review process for Increment 1 that will be completed later this year. The program has also begun Increment 1 developmental test using two commercial aircraft, and has five additional test aircraft in various stages of production. Increment 2 development will begin this year, and is currently undergoing a reassessment/replan to reduce test and production concurrency risk with Increment 1. The Increment 2 replan will increase time allotted to the Systems Engineering Technical Review cycle prior to CDR, procure/utilize an additional test vehicle, and will reduce design/build concurrency by delaying the first LRIP lot, thereby further reducing risks to the program. The Presidential Helicopter Replacement Program continues to receive executive level oversight and review in an effort to fully evaluate program progress while mitigating risks wherever possible.

P-8A Multi-mission Maritime Aircraft (MMA)/P-3C

The future of the Navy's maritime patrol force includes plans for sustainment, modernization, and re-capitalization of the force. Results of the P-3 Service Life Assessment Program (SLAP) revealed the need for an aggressive approach to P-3 airframe sustainment. Key elements of the sustainment approach are strict management of requirements and flight hour use, special structural inspections to keep the aircraft safely flying, and increased use of simulators to satisfy training requirements. The Fiscal Year 2008 Budget request includes \$156.3M for Special Structural Inspections - Kits (SSI-K), which will allow for airframe sustainment to support the CNO's P-3 Fleet Response Plan (as well as supporting EP-3E requirements which are executed within the P-3 SSI-K program). As the sustainment plan progresses, the inventory may be reduced to a number approaching 130 aircraft by Fiscal Year 2010. The Fiscal Year 2008 Budget request also reflects a systems sustainment and modernization budget of \$106.3M to continue to address a multitude of mission essential efforts to replace obsolete components, integrate open architecture technology, and leverage commonality. To recapitalize these critical aircraft, the Navy is developing the P-8A MMA, a 737 commercial-derivative aircraft. This past year, the program began completing major sub-system Critical Design Reviews (CDR) in preparation for the overall system CDR to be conducted this summer. The Fiscal Year 2008 Budget requests \$880.1M in RDT&E for continuation of P-8A System Development & Demonstration (SDD) efforts. Program objectives for 2008 include executing a contract for four

Stage II test aircraft, and fabrication of the first ground and flight test aircraft. Our comprehensive and balanced approach has allowed for re-capitalization of these critical assets.

MH-60R and MH-60S

The Fiscal Year 2008 Budget requests \$997.6M in APN and \$78.2M in RDT&E for continued replacement of the Light Airborne Multi-Purpose System (LAMPS) MK III SH-60B and carrier-based SH-60F helicopters with the new configuration designated as the MH-60R. This program reached full-rate production with the first operational squadron standing up in 2006. The Fiscal Year 2008 Budget also requests \$503.6M in APN and \$44.0M in RDT&E funds for the MH-60S, to continue development of the Organic Airborne Mine Countermeasures (Block II) and the Armed Helo (Block III) missions. The MH-60S is the Navy's primary combat support helicopter designed to support Carrier and Expeditionary Strike Groups. It will replace four legacy platforms with a newly manufactured H-60 airframe. The Army and Navy are executing a new platform multi-year contract in 2007 that will include both the MH-60R and MH-60S. A second multi-year contract is also being executed in 2007 for integration of mission systems into the MH-60R.

EP-3 Replacement/Sustainment

The Navy plans to recapitalize its aging EP-3E fleet with a land-based, manned, airborne Intelligence Surveillance Reconnaissance (ISR) platform, called EPX, to meet maritime requirements. The Fiscal Year 2008 Budget requests \$16.6M in RDT&E funds for this effort to support studies focused on capabilities, documentation, and technology development. The Fiscal Year 2008 Budget requests \$43.7M in RDT&E and \$46.9M in APN to address EP-3E SIGINT sensor and communications equipment obsolescence issues that are necessary to keep the EP-3E viable until the replacement platform is fielded. This funding supports LRIP procurement for JMOD Common Configuration (JCC) Spiral 2 data fusion capabilities, and engineering development for JCC Spiral 3.

KC-130J

The Fiscal Year 2008 Budget requests \$256.4M in APN for four KC-130J aircraft. These aircraft will be procured under an existing Air Force MYP. The Marine Corps has taken delivery of 25 KC-130J aircraft to date, with four more deliveries scheduled during 2007. Additionally, two aircraft will be procured through Fiscal Year 2006 Supplemental funding and one aircraft will be procured using the funds from the FAR 12 to FAR 15 contract conversion savings. (the FAR 12 to 15 procurement of one aircraft is being reviewed by FMB counsel as to whether or not the letters to Congress from the Commandant constitute Congressional notification, recommend removal of statement and adjustment of numbers accordingly) The planned procurement of four aircraft in Fiscal Year 2008 will bring the total number of KC-130J aircraft to 36. The KC-130J provides major enhancements to the current fleet of KC-130s, extending its range, payload, and refueling capabilities. Additionally, we have continued to ensure the tactical capability of our existing KC-130F, R and T series aircraft by installing night vision kits and upgraded aircraft survivability equipment.

Heavy Lift Replacement Program (HLR, CH-53K)

The Fiscal Year 2008 Budget requests \$417.2M RDT&E to continue SDD of the CH-53K, which will replace the Marine Corps' current heavy-lift helicopter, the CH-53E "Super Stallion." Built

for sustained shipboard operations and first flown in 1974, the CH-53E continues to demonstrate its value as an expeditionary heavy-lift platform. This aging but very relevant helicopter is in high demand, making significant contributions to missions in Iraq, Afghanistan, and the Horn of Africa; non-combatant evacuation operations in Lebanon; and disaster relief operations around the world. Expeditionary heavy-lift capabilities will continue to be critical to successful sea-based operations in future anti-access, area-denial environments, enabling sea basing and the joint operating concepts of force application and focused logistics.

As a design evolution of the CH-53E, the new-build CH-53K will fulfill sea-based, heavy-lift requirements not resident in any of today's platforms, and directly contribute to the increased agility, lethality, and persistent presence of Joint Task Forces and Marine Air-Ground Task Forces. The CH-53K will include significant enhancements to extend range and payload performance; expand survivability and force protection capabilities; improve inter-modal cargo handling and turn-around; and meet interoperability requirements while reducing heavy-lift operations and support costs.

The CH-53K will be capable of transporting 27,000 pounds to austere landing sites at distances of 110 nautical miles under challenging environmental conditions. Task Force commanders of 2015 and beyond will then have the option to rapidly insert, to the far sides of the littorals, a force equipped with armored combat vehicles and heavy weapons at a rate equivalent to two up-armored High Mobility Multi-Wheeled Vehicles (HMMWVs) per sortie. To sustain that force, the CH-53K will be the critical air connector to sea-based logistics, transporting up to three independent loads per sortie, with each load tailored to individual receiving units. This efficient, reliable, cost-effective, heavy-lift capability will also address critical challenges in maintainability, reliability, and affordability found in present-day operations.

T-6B Joint Primary Air Training System (JPATS)

The Fiscal Year 2008 Budget requests \$295.3M to procure 44 aircraft under an Air Force multi-year procurement contract. The T-6 is the primary flight training aircraft for Navy and Marine Corps pilots, and Naval Flight Officers. It replaces the T-34C. The current requirement is for 315 aircraft, of which 54 aircraft have been procured to date.

T-45

The Fiscal Year 2008 Budget requests \$32.5M in APN for costs associated with the shutdown of aircraft production. The request also includes funding to continue both the Required Avionics Modernization Program and Synthetic Radar installations for Undergraduate Military Flight Officer training.

UNMANNED AIRCRAFT SYSTEMS (UAS)

The GWOT continues to place emphasis on the importance of UASs. The Fiscal Year 2008 Budget request reflects our commitment to a focused array of UASs that will support and enhance intelligence, reconnaissance, and surveillance missions with persistent, distributed, and netted sensors.

Fire Scout UAS

The Fiscal Year 2008 Budget requests \$33.0M RDT&E to continue development of the Fire Scout UAV and \$37.7M APN for the production of the Fire Scout MQ-8B aircraft. The Fire Scout is a Vertical Takeoff and Landing Tactical UAV (VTUAV) designed to operate from all air-capable ships, carry modular mission payloads, and operate using the Tactical Control System and Tactical Common Data Link. The Fire Scout UAS will provide day/night real time ISR and targeting as well as communication-relay and battlefield management capabilities to support core Littoral Combat Ship mission areas of ASW, MIW and ASUW for the Naval forces. The Fire Scout MQ-8B capability will achieve initial operational capability in Fiscal Year 2008.

Broad Area Maritime Surveillance (BAMS) UAS

The Fiscal Year 2008 Budget requests \$116.7M RDT&E for System Development and Demonstration (SDD) of the BAMS UAS. The Milestone B decision for the BAMS UAS program will be in the fourth quarter of Fiscal Year 2007 followed by a competitive award of the SDD contract for development of the BAMS UAS in the first quarter of Fiscal Year 2008. The BAMS UAS program will meet the Navy requirement for a persistent intelligence, surveillance and reconnaissance (ISR) capability as well as address the growing ISR gap and the shortfall in maritime surveillance capability. The BAMS UAS will be a force multiplier for the Fleet Commander, enhancing situational awareness of the battle-space and shortening the sensor-to-shooter kill chain. BAMS UAS will work as an adjunct to the new P-8A Multi-Mission Aircraft (MMA) to provide a more affordable, effective and supportable maritime ISR option than current ISR aircraft provide.

Marine Corps Tactical UAS (MCTUAS)

The Fiscal Year 2008 Budget requests \$90.3M WPN to procure the Army's Shadow RQ-7B UAS as an interim replacement for the currently fielded Pioneer UAS. Pioneer has been in operational service by the Navy and Marine Corps since 1986, and is currently supporting Marine Corps operations as part of the Global War on Terrorism. Sustainability and obsolescence issues are increasing, making Pioneer both difficult and costly to maintain, which in turn threatens mission readiness. The Shadow UAS provides rapid fielding of a capability that meets urgent Marine Corps operational requirements and brings immediate interoperability and commonality between Army and Marine Corps units operating side by side in Iraq. We are also requesting the Congressional committees approve a Prior Approval Reprogramming and New Start to allow procurement of the Shadow UAS with the Pioneer Fiscal Year 2007 funds.

Small Tactical UAS/Tier II (STUAS/Tier II UAS)

The Fiscal Year 2008 Budget requests \$11.9M in RDT&E (\$6.14M Navy, \$5.74M Marine Corps) for a new STUAS/Tier II UAS program that will address Marine Corps and Navy ISR capability shortfalls identified in the GWOT and currently supported by costly service contracts. The STUAS/Tier II UAS program will provide persistent, ship and land-based Intelligence, Surveillance, and Reconnaissance (ISR) support for tactical level maneuver decisions and unit level force defense/force protection. It will provide day/night (Electro-optical/Infrared) sensor capability in a small UAS that will have a minimal visual/acoustic signature at planned operating ranges. This program is planned to be an ISR asset that will be used to complement other high demand, low density manned and unmanned platforms, and be available to operate in scenarios where those assets may not be available to ship or other Navy/Marine Corps unit commanders.

Initial Operating Capability (IOC) is planned in 2010, with the initial system fielding focused on utilization of mature technologies.

Unmanned Combat Air System (UCAS)

The Fiscal Year 2008 Budget requests \$161.7M RDT&E for the Navy unmanned combat aircraft system (N-UCAS) program to conduct a carrier demonstration of a low-observable unmanned combat aircraft platform. The N-UCAS will develop and demonstrate an aircraft carrier suitable, low observable unmanned air vehicle to support carrier based persistent and penetrating ISR missions, with strike capability, in high threat areas. The N-UCAS program will evolve and demonstrate technologies required for conducting launch, recovery, and carrier controlled airspace (CCA) operations of an unmanned low observable platform. By Fiscal Year 2013, the Navy plans to achieve a CV demonstration and evaluation to identify technologies supporting future Naval ISR and strike capability requirements.

SUMMARY

The Fiscal Year 2008 Presidential Budget request reflects considerable effort in identifying affordable solutions for the Department's aviation programs through a balance between sustaining fielded capabilities, as they are employed in the Global War on Terrorism and continued forward presence worldwide, and a substantive recapitalization effort that will deliver significantly better capabilities to the war fighter. The Department's aviation acquisition team continues to work aggressively to identify efficiencies in the development, testing and subsequent procurement of platforms, components, and weapons systems in order to ensure investments made result in quality products and services provided to the fleet.

In closing, Mr. Chairman, thank you for the opportunity to testify before your Subcommittee regarding the Department of the Navy aviation programs.