

**Transcript of
House Armed Services, Subcommittee on Strategic Forces Hearing on Nuclear Forces And Atomic
Energy Defense Activities F.Y. 2018 Priorities**

May 25, 2017

Witnesses:

Frank Klotz, Administrator, National Nuclear Security Administration
Air Force General Robin Rand, Commander, Air Force Global Strike Command
Vice Admiral Terry Benedict, Director, Navy Strategic Systems Program
John Zangardi, Acting CIO, Defense Department
Rob Soofer, Deputy Assistant Defense Secretary, Nuclear and Missile Defense Policy
Susan Cange, Acting Assistant, Energy Secretary, Environmental Management

ROGERS: Good morning. The Subcommittee will come to order. I want to welcome you to our hearing on Fiscal Year 2018 Priorities for Nuclear Forces and Atomic Energy Defense Activities.

I want to thank our witnesses for being here today and for your service to our nation. In uniform or out, your service to the American people is greatly appreciated.

We have a full witness panel today because due to the compressed schedule for the budget request and defense authorization bill, we're going to attempt to cover the waterfront on all things nuclear.

We have the Honorable Frank Klotz, Administrator and Under Secretary for Nuclear Security; Dr. Robert Soofer, Deputy Assistant Secretary for Defense for Nuclear and Missile Defense Policy; General Robin Rand, Commander, Air Force Global Strike Command; Vice Admiral Terry Benedict, Direct, Navy Strategic Systems Programs and I know I'm going to butcher this one up, Dr. John Zangardi. Is that right? All right. Acting Chief Information Officer of Department of Defense, and Ms. Susan Cange. Did I pronounce it right?

CANGE: You did.

ROGERS: Acting Assistant Secretary of Energy for Environmental Management. Two and a half months ago, the Vice Chairman of the Joint Chiefs of Staff, General Selva, testified before our full committee that, quote, "There is no higher priority for the Joint Force than fielding all of the components of an effective nuclear deterrent and we are emphasizing the nuclear mission over all other modernization programs when faced with that choice. We in the Joint Force put our nuclear deterrent as the number one priority for modernization and recapitalization," close quote.

This priority has now been clearly stated by three successive Secretaries of Defense -- Secretary Hagel, Secretary Carter, and Secretary Mattis. As my friend and ranking member has repeatedly pointed out, this subcommittee agrees with that prioritization on a bipartisan basis.

And I am pleased to say that the Fiscal Year 2018 budget request put forward by the Trump administration two days ago reinforces that priority. This is good news, as a nation we need to put our money where our mouths are.

This committee played a key role in building the current broad, bipartisan agreement on the importance of the U.S. nuclear deterrent and the urgent need to carry out the full nuclear modernization programs put forward by the Obama Administration.

Reflecting on the budget request, let's be clear about one thing -- the billion dollar increase for NNSA's nuclear weapons activities goes a long way, but does not fully fill the gap identified by Secretary of Energy Ernie Moniz in his letter to the OMB director in 2015. The Secretary said there was over a billion dollar gap between the program of record in FY18 and the funding allocated. We're still several hundred million dollars short here.

As the Trump administration embarks on its Nuclear Posture Review in which several of our witnesses are intimately involved, we will take stock today of all of the priorities, policies, and programs related to nuclear deterrence and nuclear security more broadly. Let me briefly highlight two.

Of particular concern to this subcommittee are the nuclear advances being made by foreign countries and how those impact our own deterrent. As we heard from the Defense Science Board earlier this year, quote, "nuclear weapons are a steadily evolving threat in both new and familiar directions," close quote. We must understand how the threat is evolving and anticipate what must be done to compensate.

The U.S. focus in recent years has been on downplaying the utility of nuclear weapons, but most other nuclear powers have not downplayed that threat. The U.S. will ensure its nuclear deterrent is robust and credible against all potential threats today and for the long-term.

Another longstanding concern of this subcommittee has been the state of the infrastructure within the NNSA enterprise. The committee has had several hearings on the topic in the past year, and I'm pleased that the budget request provides significantly additional funding here.

We will take a look at the projects that are being proposed and make sure we are truly buying down the massive backlog of deferred maintenance and repair needs. We will also look to see what authorities and processes can be provided or streamlined to ensure we're doing this smartly, effectively, and efficiently.

In closing, let me revisit something that General Hyten, Commander of U.S. Strategic Command, said at our hearing back in March, quote, "At a time when others continue to modernize and expand strategic capabilities, nearly all elements of the nuclear enterprise, our nuclear delivery systems, weapons stockpile, NC3, and other critical infrastructure are operating well beyond their expected service life. Planned sustainment and modernization activities must be completed on schedule, as a delay will impact the execution of our strategic deterrent mission and unacceptably degrade our ability and ultimately our credibility to deter and assure," close quote.

For our number one priority defense mission, this is a sobering reminder of the tremendously important job facing these witnesses and this subcommittee, so let's get to work. I want to thank our witnesses for being here and look forward to our discussions.

With that let me turn to my friend and ranking member from Tennessee, Mr. Jim Cooper for any opening statement he may have.

COOPER: Thank you so much, Mr. Chairman. I too want to welcome the witnesses and in order to save time, I would ask unanimous consent that my opening statement be made part of the record.

(OFF-MIKE)

COOPER: Thank you.

ROGERS: One of the many reasons I like him. He is short and to the point. All right. We're going to be called for votes in about an hour, so if the witnesses could - your full opening statement will be submitted for the record. If you can summarize it in about three minutes then we'll get to questions more rapidly.

General Klotz, you're recognized.

KLOTZ: Thank you, Mr. Chairman. I will summarize hopefully at three minutes.

Chairman Rogers, Ranking Member Cooper, and other Members of the Subcommittee, thank you for the opportunity to present the president's Fiscal Year 2018 budget request for the Department of Energy's National Nuclear Security Administration.

We value this committee's strong support for the three pillars of NNSA's mission. The nuclear weapon stockpile, nuclear threat reduction, and naval reactors. Our budget request which comprises approximately half of the DOE budget is \$13.9 billion.

This represents an increase as you pointed of nearly \$1 billion or 7.8 percent over the fiscal year 2017 Omnibus level. This budget request is vital to ensuring that the U.S. nuclear force remains modern, robust, flexible, resilient, ready, and appropriately tailored to 21st century threats and to reassure our allies.

It also is indicative of the strong support of the administration for the mission and the people of the National Nuclear Security Administration. NNSA's FY 2018 budget request for the Weapons Activity Appropriation is \$10.2 billion, an increase of nearly \$1 billion or 10.8 percent over the fiscal year 2017 Omnibus level.

This increase is needed to both meet our current life extension program commitments and to modernize our research and production infrastructure, so we are positioned to address future requirements and future challenges.

The 2018 budget request also includes \$1.8 billion for the Defense Nuclear Nonproliferation account, which is consistent with the funding level in the FY 2017 Omnibus. This appropriation continues NNSA's critical and far-reaching mission to prevent, counter and to respond to nuclear threats.

The request for our third appropriations, the naval reactors program, is nearly \$1.5 billion. This represents an increase of \$60 million or 4.2 percent above the FY17 Omnibus level. And only does the requested funding support today's operational fleet, it enables naval reactors to deliver tomorrow's fleet.

Our budget request for the fourth and final appropriations account, Federal Salaries and Expenses, is \$418 million, an increase of \$31 million or 8.1 percent over the FY17 Omnibus level. The request supports recruiting, training and retaining the highly skilled federal work force essential to achieving success in technically complex 21st century national security missions.

In closing, our FY18 budget request reflects NNSA's motto - mission first, people always. It accounts for the significant tempo of operations at NNSA, which in many ways has reached the level unseen since the Cold War.

It includes long overdue investments to repair and replace infrastructure at our national laboratories and production plants it provides modern and more efficient workspace for a highly talented scientific engineering and professional workforce.

Thank you for the opportunity to appear before you today, Sir, and I look forward to answering questions the Subcommittee may have.

ROGERS: Thank you, General.

Dr. Soofer, you're recognized for the first of many occasions before this Committee, I'm sure.

SOOFER: Thank you, Chairman Rogers, Ranking Member Cooper and distinguished Members of the Committee. Thank you for the opportunity to testify on the president's Fiscal Year 2018 Budget Request for Nuclear Forces.

The president directed the Department of Defense to conduct a comprehensive nuclear posture review and we expect to complete it by the end of this calendar year. I will not prejudge the outcome of the NPR, but will outline some of the challenges and questions that we face.

For decades, U.S. nuclear forces have provided the ultimate deterrence against nuclear attacks on United States and our allies. Nuclear weapons remain a foundational element of U.S. strategy for the deterring strategic attacks and large scale war and for assuring U.S. allies.

Effective deterrence requires a deliberate strategy and forces that are structured and postured to support that strategy within the existing security environment. Strategy, forces, and posture must also be flexible enough to maintain stability while adjusting to both gradual and rapid technological and geopolitical changes.

Recent years have indeed brought changes that U.S. policy must address. Russia has undertaken aggressive actions against its neighbors and threatened United States and its allies. It is elevated strategies for nuclear first use. It is violating the landmark Intermediate-Range Nuclear Forces Treaty and is modernizing a large and diverse non-strategic nuclear weapons force.

In the Asia Pacific, China has increased assertiveness, suggesting a desire to dominate that region. North Korea's leadership has demonstrated a willingness to accept economic countermeasures and international isolation in order to advance its nuclear capability and develop ballistic missiles able to strike the United States homeland as well as our allies in the region.

The United States remains committed to ensuring that Iran never acquires a nuclear weapon. As the administration conducts its policy review of the Joint Comprehensive Plan of Action, we will continue to meet our commitments under the deal. Iran continues its ballistic missile program, which is outside of the JCPOA.

It's against this backdrop that the president directed DOD to ensure that the U.S. nuclear deterrent is modern, robust, flexible, resilient, ready, and appropriately tailored to deter 21st century threats. Each of these characteristics contributes to the effectiveness of our deterrence strategy.

As we conduct the NPR, Secretary Mattis has directed that we continue with the existing program of record for recapitalizing our aging nuclear forces. After decades of deferred modernization, replacement programs must proceed without delay if we are to retain existing deterrent capabilities.

DOD expects nuclear recapitalization cost to total approximately \$230 billion to \$290 billion over more than two decades. This includes a total cost of strategic delivery systems that have a nuclear-only mission and a portion of the B-21 bomber, which will have both conventional and nuclear roles. It also includes modernizing nuclear command and control and communication systems.

During this coming period of increased spending for replacement programs, nuclear forces will remain a small fraction of the DOD budget, with the annual funding levels including sustainment and operations projected to range from approximately three percent to six percent of total defense spending. The president's budget request for FY 2018 fully funds DOD nuclear recapitalization programs and provides for nuclear force sustainment and operations.

It also adds more than \$3 billion across the future years defense plan relative to the previous year's request to continue improving the health of the DOD nuclear enterprise. These investments demonstrates the president's commitment to nuclear deterrence and national defense.

The critical mission of ensuring an effective nuclear deterrent is the highest priority mission of the Department of Defense and one it shares with the Department of Energy and the Congress. And we look forward to continuing to work together in faithfully and responsibly fulfilling this mission.

Thank you, again, for the opportunity to testify. I look forward to your questions.

ROGERS: Thank you, Dr. Soofer.

General Rand, you're recognized.

RAND: Chairman Rogers, Ranking Member Cooper, and distinguished Members of the Subcommittee, thank you for allowing me to appear before you today to represent the men and women of Air Force Global Strike Command.

I testified multiple times for the Subcommittee and I'm looking forward to speaking about the progress and the changes that have taken place in our command since our last meeting in July of 2016.

I'm happy to provide my inputs and answer any questions on the Ground Based Strategic Deterrent Long-Range Stand-Off weapon in the B- 21 Raider, infrastructure requirements, nuclear command control and communication systems and other programs within Air Force Global Strike.

Fiscal constraints, while posing planning challenges, do not alter the national security landscape or the intent of competitors and adversaries, nor do they diminish the enduring value of long-range strategic forces to our nation.

Mr. Chairman and Subcommittee Members, I want to thank you for your dedication to our great nation and the opportunity to appear before the committee to highlight the need for modernization and efforts across Air Force Global Strike Command.

I look forward to your questions.

ROGERS: That was a record. One minute. Awesome.

Admiral Benedict, you're recognized.

BENEDICT: Thank you, Sir. Chairman Rogers, Ranking Member Cooper, distinguished Members of the committee, thank you for the opportunity to testify here today representing the men and women of our Navy's Strategic Systems Programs.

I would like to briefly address the long-term sustainment of the sea-based leg of the Triad. While our current life extension efforts will sustain the D5 system until the 2040s, the Navy is already beginning to evaluate options to maintain a credible and effective strategic weapon system to the end of the Columbia Class service life in the 2080s.

At SSP, we are looking long-term and across the spectrum from our workforce and infrastructure to our industry partners and geographic footprint. Thank you for the opportunity to testify here today about the sea-based leg of the Triad. I'm pleased to answer your questions at this time.

ROGERS: He beat you by 10 seconds, General. I'm sorry.

(OFF-MIKE)

ROGERS: That won't be Cooper.

Dr. Zangardi, you're recognized.

ZANGARDI: Good morning, Mr. Chairman, Ranking Member, and distinguished Members of the Subcommittee. Thank you for this opportunity to testify before the Subcommittee today on the Department's nuclear command, control and communications systems, and the risks, challenges, and opportunities within the system and related programs, policies, and priorities for modernization and recapitalization of the NC3 system.

I am the acting department chief information officer. I am the senior civilian advisor to the Secretary of Defense for information technology and the information enterprise that supports the DOD Command and Control which includes responsibility for policy, oversight guidance and coordination for the department's NC3 system.

My written statement provides more detailed information on these matters, but I want to highlight to you some of the department's activities in this critical, important mission area. My office's fiscal year 2018 capabilities planning guidance states that we need to strengthen our national leadership command capabilities to meet changing threats and to help the president and national leadership ability to command US forces.

I believe this budget will help both these areas as we identify threats and ways to mitigate them, which in turn helps our nation's leaders maintain positive control to the US Nuclear Armed Forces. Specifically, the council on the oversight of the national leadership command and control communication systems has proved to be a crucial element of the department's strategy. We have been heavily focused on NC3 modernization and sustainment programs, we continue that focus but we'll operationalize the discussion based upon what our main customers, USSTRATCOM, Joint Staff, USNORTHCOM, and the White House require to accomplish their mission over the short and long-term.

Our objective is to ensure with high confidence that the systems provide the operational capability in time of crisis. Finally, communications is always the key, and I believe the two-way communication between your professional staffers and our DOD teams have increased the capability and readiness of our NLCC Enterprise. This communications flow has provided clarity to the NC3 mission area, its acquisition process, provided stability for NC3 program offices, and ensured war fighter capabilities.

We are not done, we have more work to do and then the department is actively pursuing modernization while operating within the confines of the constrained budget environment. Thank you and I look forward to your questions.

ROGERS: Thank you. Ms. Cange, you're recognized.

CANGE: Good morning Chairman Rogers, Ranking Member Cooper and members of the subcommittee. I'm pleased to be here today to represent the Department of Energy's Office of Environmental Management and to discuss the important work we have recently accomplished as well as what we plan to achieve under the president's fiscal year 2018 budget request.

The total budget request for the EM Program is \$6.5 billion and of that, \$5.5 billion is for Defense Environmental Cleanup Activities. Before discussing this request, I'd like to take a brief moment to update you on a recent incident at the Hanford site. As you know, there recently was a partial collapse of one tunnel near the PUREX Facility that has been used since the 1950s to store contaminated equipment. Based on extensive monitoring, there was no release of radiological contamination from the incident and no workers were injured.

Workers have filled in the collapsed section with soil and place a cover over the tunnel. We are working closely with the State of Washington for a more permanent solution. We take this event very seriously and are looking closely at lessons learned. Maintaining and improving aging infrastructure is a priority for EM and this incident emphasizes the need to continue to focus on these efforts.

With regard to recent accomplishments, we continue to demonstrate our ability to make significant progress through achievements like resuming shipments of transuranic wastes to the waste isolation pilot plant or WIPP. Our fiscal year 2018 budget request will enable us to build on this momentum. The request allows EM to continue to make progress in addressing radioactive tank waste as well as continuing other important work such as deactivation and decommissioning, soil and ground water cleanup and management and disposition of special nuclear material, spent nuclear fuel, and transuranic and solid wastes.

Our request also includes funding to support the national nuclear security administration by tackling some of their high priority excess contaminated facilities in Oakridge and at Lawrence Livermore National Lab. In particular, the 18 requests supports continued waste and placement at WIPP. At the Savannah River Site, the request supports continuing the tank waste mission through commissioning startup of the salt waste processing facility. And at Hanford, the budget request supports continued site remediation along the river corridor and it supports beginning to treat low activity tank waste by 2023.

In closing, I'm honored to be here today representing the Office of Environmental Management. We're committed to achieving our mission safely and successfully. Thank you and I'm pleased to answer any questions.

ROGERS: I thank all the witnesses and I'll recognize myself first for questions. General Klotz, you talked about the \$1 billion increases in your budget and well it looks like a lot, it is a lot.

There's a lot of deferred maintenance in NNSA. This is something that the Obama Administration recognized early and without objection I'd like to introduce a letter to that effect from Secretary Moniz from December '15 that clearly states, "An extra billion a year is needed starting FY18." In that letter, Secretary Moniz says, "We estimate that an additional \$5.2 billion over the FY18 to FY21 is needed. Failure to address these requirements in the near-term will put the NNSA budget in an unattainable position beginning in FY18 and will provide a misleading marker to the next administration as to the resource needs of the nuclear security enterprise."

General Klotz, is this billion dollar increase for NNSA's weapon activities just filling a gap or is it a central part of a long-term recovery from your current circumstance?

KLOTZ: Thank you very much for that question Mr. Chairman and I appreciate all the support that this committee has provided to dealing with the infrastructure issues that we have within NNSA.

And also appreciate the broad bipartisan support for that effort that you outlined in your opening statement. We're very grateful for the level of spending that has been proposed in the president's FY18 budget. It will allow us to tackle some of our very important infrastructure recapitalization projects such as the uranium processing facility at Y12 in Oakridge, Tennessee which we expect to complete design this year and actually start construction next year.

But we didn't get in to the situation we face with aging and in some cases crumbling infrastructure overnight and we're not going to get out of it in a day. So expect us to come forward next year and in subsequent years with requests to begin funding on other very important recapitalization efforts in the area of restoring our ability to produce plutonium pits and restoring our ability to process the lithium which we need for our nuclear weapons program and investments to replace our ability to fabricate trusted Microsystems that we need to ensure that we have the radiation, hardened electronics for our nuclear forces.

ROGERS: My question is, is it fair to say that this is the first year of five year spending that was a program of record by the Obama Administration as being essential that was presented to this Congress?

KLOTZ: I think it's fair to say that the new administration came in and took a look at our requirements and our needs for the fresh set of eyes and that they agree that ensuring that we can complete our life extension programs in order to deliver systems to the Air Force and the Navy on time, on schedule and on budget is essential.

And also fixing our infrastructure so that we are flexible and responsive to the needs of our nuclear deterrent both now and well into the future.

ROGERS: Okay. General Rand, the GBSD and LRSO contractors supposed to be hitting their targets in August or September of this year, is that accurate?

RAND: Yes sir, that is accurate.

ROGERS: So you don't see a problem with that slipping?

RAND: No sir. I have no indication that will be delayed.

ROGERS: Okay. There are many critics that believe the LRSO is destabilizing, is that your opinion?

RAND: No sir.

ROGERS: Can you tell us why?

RAND: Well we've had a nuclear cruise missile since the 1960s, this is not a new capability, it's an improved capability over the outcome that we currently have the air launch cruise missile.

And when you're in bombers and you take off, first of all, there's a visible presence and as we fly today, the enemy, and potential adversaries don't know if we're conventional or nuclear and I don't view that as destabilizing at all.

ROGERS: Great. I would then now would yield to the ranking member for any questions he may have.

COOPER: Thank you Mr. Chairman. There are many good parts and many bad parts to the recent budget that was submitted to Congress.

I thought one of the good parts was the termination of the MOX Facility in South Carolina. General Klotz, would you like to reflect on that?

KLOTZ: Thank you Rep. Cooper. As I had indicated, the new administration came in and looked at a lot of programs that are within the scope of the Department of Energy and the National Nuclear Security Administration, and came to the conclusion that the MOX Fuel Fabrication project in Savannah River, South Carolina ought to be terminated. The conclusion was based on the fact that this is an extraordinarily expensive program, \$5 billion have already been invested in it. We estimated it would take an additional \$12 billion to go just to complete the project and that doesn't even begin to address the long-term costs of operating the program.

We have developed an alternative strategy for disposing of excess weapons grade plutonium, it's called the Dilute and Dispose Approach which we briefed to this committee last year. It is a proven technology, we have already emplaced diluted plutonium at the waste isolation pilot project, the WIPP Facility in New Mexico. It's proven technology, the risks are lower, the costs are lower and it gets plutonium out of the state of South Carolina far faster than the MOX Project would.

COOPER: Thank you General. I hope my colleagues will pay attention to the General's comments because this is an annual issue in the Defense Authorization Bill. So I hope that we can come to a sensible resolution. This issue has hung fire for many, many years now.

Ms. Cange, regarding Hanford and the tunnel collapse, it's my impression that in the Trump budget we're reducing the appropriation or the authorization for Hanford by over \$100 million, is that right?

CANGE: Yes sir. The FY18 budget request for the Richland Operations Office is reduced from what the '17 Omnibus was.

COOPER: So you mentioned we're going to be cooperating with the State of Washington on fixing that tunnel problem other than just putting dirt on it. So what's likely to be the resolution?

CANGE: There's a number of alternatives that have been developed and are currently being evaluated. They range from potentially filling the tunnel with a fillable grout material to stabilize the tunnel and the contamination until such a time that a permanent remedy will be implemented to at the upper end of constructing a structure over the tunnel. So the various alternatives are still under evaluation.

COOPER: So we're really not talking about a fix, we're talking about covering up the problem or stabilizing it.

CANGE: We're talking about ensuring that we stabilize the tunnel and the material that is contained within the tunnel in a way that this type of incident will not occur again until a final remedy is reached between the tri-parties.

COOPER: But no one will be able to use the tunnel in the meantime?

CANGE: The tunnel has not been used since the early 1950s.

COOPER: Okay. Dr. Zangardi, many of the NC3 programs are delayed or over cost. In fact, when you look at the long list of those that are delayed and/or over cost, it's almost hard to find one that is working on time as expected. What are we going to do to improve the performance record here?

ZANGARDI: Yes sir. Thank you for the question. Regarding NC3 programs, breaking...

COOPER: Could you pull the microphone closer?

ZANGARDI: Breaking the answer down into two parts. First, I run the NLCC and as part of the NLCC, we have taken a review of these programs and understand your concerns and recognize the delays of the program.

The Air Force has been tasked by the chairs of the NLCC. ATNL is one of the chairs along with the vice chairman of the joint chief of staff to review these programs, look for areas of causality, these are common cause or root cause between all these problems and develop solutions to get the programs back on track.

The department is very focused on correcting these issues. Additionally, we were in Omaha where we had a group meeting of about 30 seniors to look at the NC3 enterprise several weeks ago. Tasks came out of that to begin looking at things we can do to improve the overall operational resilience of the systems that are currently out there. So we're looking at it in two ways, one, with the NLCC figuring out how we can improve the program's performance as they come on in the future and two, dealing with the systems that are out there that we must currently maintain.

COOPER: So is your answer consistent with the number one priority that the nuclear mission has within the Department of Defense?

ZANGARDI: Yes sir, it is. We have stated very clearly in meetings with my leadership that this is the highest priority. We have stated that very clearly in the NLCC council meetings and it was very clear when we met at Omaha that this is the highest priority. I'm in one step agreement with General Hyten on these issues, sir.

COOPER: So we are going to be performing better in the future and I can hold you to that.

ZANGARDI: Our objective is to perform better in the future, sir, and I'll be glad to come back and answer any questions in the future, if problems arise, or to talk to you about performance.

COOPER: Well I think that sounds a little bit like accountability, but I'm not sure that that's full accountability, the willingness to answer your questions. Presumably, you'd be willing to answer questions anyway.

ZANGARDI: Yes sir. It is accountable. I am working these areas, I report directly to the DSD on these areas and keep him apprised of it. The accountability is very clear as it's defined in recent legislation in the NDAA about DOD CIO having responsibilities in the NLCC area.

COOPER: So you well know without command and control, the weapon systems are largely useless.

ZANGARDI: Yes sir.

COOPER: Thank you Mr. Chairman, I have no questions until the closed session.

ROGERS: Thank you gentlemen. The chair now recognize the gentlemen from the Great State of Alabama, Mr. Byrne.

BYRNE: Admiral Benedict, I'm concerned about the tight timeframe for the Columbia Class and I know you are too. And looking at it, I know that there's not too much liberal room there. So I'd like to ask you this question, if the Columbia Class program is delayed or slips by just one year, will there be a gap in the sea base of the Triad?

BENEDICT: Yes sir. Today, the current program has basically one Columbia Class entering service as one Ohio replacement platform depart service.

So if there was a slip, although we believe firmly that we can execute the program of record, there would be a gap, yes sir.

BYRNE: I appreciate you're saying that as clearly as you did because we need to hear that as we go forward into budgets not just this year but as you know in the entire cycle that we've got here, we just don't have any room for not hitting the mark each year, is that a fair statement?

BENEDICT: That is a fair statement. We've already taken a two- year slip in the Columbia Class which pushed us basically line on line with the Ohio's retirement. Yes sir, that gap has been eroded.

BYRNE: Admiral, thank you for your candor, Mr. Chairman, I yield back.

ROGERS: Thank the gentleman. The chair now recognize the gentlelady from California, Ms. Davis for five minutes.

DAVIS: Thank you Mr. Chairman. Thank you all for being here as well. We're aware that in this budget there's a five percent decrease for a defense nuclear nonproliferation and I'm just wondering, how do we justify that, I know you mentioned it was consistent I believe with the '17 Omnibus. But at the same time we are repressing increasingly large sums of money for our own nuclear arsenal. Is there a disconnect here and how do you translate this to the general public?

KLOTZ: Thank you very much for that question. My explanation would be a little lengthy perhaps because I think the misunderstanding has to do with how the budget appropriations accounts are laid out in the budget.

Under a line that we call defense nuclear nonproliferation, I would bend them in three different ways, first of all there were those things that we do in the traditional nonproliferation mission space. Then there are dollars that we pay for our ability to counter nuclear terrorism and respond to, God forbid, a radiological or nuclear incident anywhere in the United States or abroad.

And then there is also the construction project under the defense nuclear nonproliferation account which includes the MOX fuel fabrication facility that representative Cooper just asked about. So the bulk of the reduction in that appropriations account reflects the administration's proposal that we terminate the MOX project. So the total amount of money going to MOX goes from the FY '17 Omnibus level of about 345 I believe down to 279. So that accounts for a lot of it.

And we've also seen an increase in our ability, the spending that we have to have for nuclear counterterrorism and instance response in order to recapitalize all the equipment, the radiation detectors, the secure wireless telephones that our people would use with other domestic partners in responding to it. In the pure defense nuclear nonproliferation area, the funding is relatively flat, it would have been exactly flat if the Congress had appropriated what we requested in FY '17 but you plussed us up a little bit at a week or two before the budget went to press and so there was just a very, very slight decrease in the overall spending floor that we're proposing for defense nuclear nonproliferation. It's still a very robust program, \$1.8 billion is a very robust program in this area.

DAVIS: Thank you for that. I appreciate it. And I think Dr. Soofer, to you as well, I mean would you agree that a nuclear deterrent is our number one priority?

SOOFER: Yes ma'am, I would. Deterring nuclear attack and assuring our allies has been a fundamental and enduring goal of the United States government during the cold war and over the last three nuclear posture reviews.

DAVIS: Would it be a better, I guess, example or demonstration of that if we did as the NNSA did, a long-term plan for nuclear reference modernization? It's my understanding that Department of Defense doesn't really submit a 25 year plan for its nuclear weapons plan. Is that accurate and how do we, again, connect that?

SOOFER: Well, we currently have plans to modernize each leg of the nuclear Triad as well as the nuclear command and control system and that modernization will take us out until about 2040.

We provide Congress an annual report on funding over the next 10 years, the Section 1043 report, but you're correct Congresswoman, we don't do a 25 or 30 year plan but we have forces planned that will last over those years.

DAVIS: I think my time is up but perhaps there's a way to better frame that so that there's a sense of more consistency. Thank you. Thank you, Mr. Chairman.

ROGERS: Thank the gentlelady. The chair now recognizes the gentleman from Colorado, Mr. Lamborn for five minutes.

LAMBORN: Thank you Mr. Chairman. Dr. Soofer, and thank you all for being here and you service. Dr. Soofer, if we studied the technical feasibility of mobile capable ICBMs and along with advantages and disadvantages of those possible weapons, would we learn useful information?

SOOFER: I'll ask General Rand to comment on that but I can assure that as we conduct a nuclear posture review, everything's on the table and that is something that we will have to look at.

RAND: Sir, we have looked at that with the GBSB and it is our best judgment that we do not go to mobile. I can talk more in the closed session on reasons why.

LAMBORN: Okay, thank you. And I'm going to ask General Klotz and Dr. Soofer another question. I'm not a fan of the new START treaty. For one thing, it's a relic of the cold war, it did not address emerging powers like China, just ourselves and the former Soviet Union.

And when it passed, we now know the Russians were cheating on the INF treaty and whether or not the Obama Administration knew this, the senators who voted on it did not know that fact. So I've been distressed because the Obama Administration was quick to start the dismantling of our nuclear forces that

were called for under the new START treaty, but slow to do the modernization that was promised as a hedge against losing capability.

So for either General Klotz or Dr. Soofer, please give an update on what we have left to do, what's remaining to be done to update our nuclear enterprise which remains unfinished.

KLOTZ: Thank you Congressman. On the NNSA Department of Energy side, our priorities as far as sustaining and modernizing our nuclear enterprise at the moment are focused on four major weapons systems that ride on either the Navy Sea Launched Ballistic Missiles or the Air Force two legs of the Triad. And so, a level of effort as I think I suggested in the opening comments that we have not seen since the end of the Cold War.

We are also focused on making sure that within the NNSA, within our nuclear enterprise, we have the scientific, technical and engineering base and the production infrastructure that is necessary to continue to sustain a modern and effective nuclear arsenal and also to be able to adapt or respond to any unexpected challenges, whether they are technical challenges or whether they are political or military challenges.

And our budget request for FY '18 I think reflects the importance making -- continuing to make investments in this area.

LAMBORN: OK. Let me follow up on that and then we'll get to Dr. Soofer. Even if we do everything in the budget that you recommend and I hope we do, how much of a gap will we still have? I am just asking in general terms not specific terms, for the public at large.

KLOTZ: I still think as I was just responding to Chairman Rogers' remarks I still think, you know, we have under invested in the nuclear enterprise since the end of the Cold War. It's almost as if when the Berlin Wall went down and the Soviet Union collapsed we all heaved a sigh of collective relief and said thank goodness we don't have to worry about that anymore.

And so for the subsequent years we didn't make the investments we needed. It was not a high priority, either in the services or for that matter in the Department of Energy. We've been trying to rectify that for a number of years now on both sides of the Potomac. But as I indicated, it took us a long time to get into this situation, it's going to take us a while to get out of it but we are working it very, very hard. And with this particular budget we make a huge down payment in some key critical areas that we need to continue sustaining our nuclear weapons stockpile and our infrastructure.

There will be more to follow as we go through our process of deciding how best to recapitalize that. So I would expect in next year's budget and the subsequent budgets you will continue to see us place an emphasis on restoring our infrastructure.

LAMBORN: I know time is limited, Dr. Soofer.

SOOFER: I'm sorry, sir. Your comment about the New START Treaty are well taken. In fact when the Congress considered the New START Treaty and particularly the Senate, they realized that the disparity in tactical nuclear weapons, non-strategic nuclear weapons between Russia and China was something of a great concern and that that needs to be addressed.

And since then, Russia has actually increased the numbers of its non-strategic nuclear weapons and the INF Treaty violation is just one example.

LAMBORN: Thank you.

Mr. Chairman, I yield back.

ROGERS: The Chair now recognizes Mr. O'Rourke for five minutes.

O'ROURKE: Thank you, Mr. Chairman.

Admiral Benedict, I'd like to get your comments and your thoughts on commonality between Navy and Air Force. My understanding is you could have similar components for land-based deterrence and sub-launched deterrence. Do you feel that you have the level of cooperation with the Air Force necessary to do that?

And also could you talk about just what that means in numbers in the budget. My understanding is we would in a strategy like this one likely spend a lot more upfront to save a lot more down the road. What are we looking at in terms of numbers and, you know, any comments or thoughts you'd like to share with us so that we are aware in the FY '18 budget and then also as we look ahead to future budget years, the kinds of factors that we need to be looking at to make sure that this is a success?

BENEDICT: Yes, sir, thank you for the question. I will provide my answer and then I'd like to offer, if it's OK with you, General Rand's comments on this subject.

Commonality is an initiative that I've been pushing for a number of years, through the concurrence of at the time Admiral Haney out of STRATCOM and the two RDAs, the two assistants in the Navy and the Air Force.

The Navy and the United States Air Force were directed to do a commonality study. That took about a year. We looked at a spectrum from totally common missile to piece parts, to the programs of record. Obviously we came through a technical analysis that said total commonality had a number of major technical challenges, as well as infrastructure challenges which made doing that in today's environment financially and from a schedule standpoint unfeasible.

The concern is the budget and we all understand the budget to recapitalize, that's been discussed here. So what we came up with at a fairly deep technical analysis is opportunities in all of the major subsystems. We worked those together and we pushed that back up through the leadership chain.

In parallel with that the United States Air Force was running its preps for the ground-based strategic deterrence program. Their acquisition strategy was to turn that over to industry. All that information was passed to industry in a bidder's library. And so, the industry partners who bid on the GBSD had the opportunity to draw from that library and submit that as part of their proposals. Those proposals are actually in process of review by the United States Air Force. And General Rand can talk to that.

I think once we see the results of that down-select as part of the Air Force process, then we are prepared with the Air Force to reengage and share, and continue down the path of commonality, but right now I will say we're paused as the Air Force goes through its acquisition down-select which is appropriate.

O'ROURKE: And I will allow General Rand to answer the question as well. But so if I understand, you've decided that total commonality doesn't make sense for the reasons that you gave. There will some level of partial commonality.

BENEDICT: Yes, sir.

O'ROURKE: And what I'd like to know from General Rand and from you, Admiral, is the year in which we can expect the answer to the question that you are trying to get to that is currently paused.

BENEDICT: If I may I will just finish and then turn it over to General Rand.

In terms of dollar cost savings, sir, again I am going to contend that based on the Air Force decision of down-select to two from the three potential bidders today, to the final solution, I think we need to get to that final solution working through this down-select before we will be able to provide you a definitive dollar savings in a year.

O'ROURKE: When do you expect to get there?

RAND: Well, yes, sir. We're right now hopefully going to have a down-select to two competitors this summer. That will give us more fidelity. We'll run the TMRR, the Technology Maturation Risk Reduction process for three years with those two competitors and then we'll further down-select to the source in 2021. So it will take a little while to get some of this fidelity.

If I may, sir, first of all I'm the requirements guy, I'm not the acquisition. I don't drive acquisition strategy. We have set the requirements and we have delivered those requirements as we see for GBSD. However, I do think there is a misconception, as Terry was talking about, what commonality is. A D5 is not going to work in the land-based missile. It's not going to fit in our launch facilities. It would take a major overhaul to do that.

So when you define commonality, the term that we've used is the smart commonality. And where can we have synergy together. And we are looking at repair facilities, manufacturing processes, test capabilities, all those could significantly reduce redundant and multiple kind of platforms. And those are what the savings will be, so we're very supportive of commonality but we believe in open competition and that's where the acquisition strategy is driving us right now.

O'ROURKE: Thank you very much.

Thank you, Mr. Chair.

ROGERS: The Chair now recognizes the gentleman from Alabama, Mr. Brooks, for five minutes.

BROOKS: We just passed in the House Foreign Affairs Committee a resolution dealing with Venezuela, and the economic circumstances that they face. Quite frankly what Venezuela is going through is devastating. Seventy-five percent of their population has experienced a weight loss of at least 19 pounds over the past year because they cannot get enough calories and food to sustain their body weight. Medicines are now in short supply because the people can't afford them. The government can't afford them. You've got diseases that were once eradicated coming back.

And the reason I ask these or bring up these topics is we've been warned by the Congressional Budget Office and by the Comptroller General of the United States of America, and by the Government Accountability Office that America's current financial path is unsustainable, which means that in the future we are risking a similar collapse. And you can imagine the adverse effect that that would have on our military capabilities, and particularly if we go through the same thing that economic reality dictates is going to happen if we don't change our trajectory.

That being the case and I don't know if any of you are in a position to answer this question. But what can you do in the areas that you oversee to increase efficiency so that taxpayers can get more bang for the

buck, or in the alternative, what can you eliminate if the need arises, thereby saving money that might reduce the dangers associated with our deficit. And if you can't do anything in the fields that you personally oversee, what do you think we should be doing on a larger scale to minimize our risk of a debilitating insolvency and bankruptcy that our financial gurus warn us is in our future?

BENEDICT: Sir, thank you for the question. And I understand your point.

Trident has been a program, a strategic systems program. It has been in existence for 61 years and as we build the new Columbia Class, the Navy's number one priority in shipbuilding, that boat will be on the water through 2084.

As I've looked at my contribution to that program, the Strategic Weapon System, we recently in discussions with Lockheed endorsed their plan to move our workforce out of an extremely high cost area to two other locations within the United States which...

BROOKS: I hope Alabama is on that list.

BENEDICT: No, sir.

BROOKS: You might want to look at the cost of doing business in Alabama.

BENEDICT: Granted.

BROOKS: I'm sorry, go ahead.

BENEDICT: No, sir. But once we do this and it's a very fast-paced move, we will move to Colorado and to Florida. The return savings to the program is somewhere in excess of \$55 million a year. So we understand our contribution to the strategic deterrent, to the Triad, to the nation. We also understand our responsibility to do so in the most cost effective manner possible. So that's I would say one of the solution spaces that we constantly review and invoke within the program given the long-term future that we have in support of this mission.

BROOKS: Vice-Admiral Benedict, that is wonderful news.

Does anybody else have any suggestions on what we can do to try to protect America's financial status?

ZANGARDI: So in the area that I work, sir, in the CIO, I am specifically tasked to look at effectiveness and efficiency and I work very closely with the DCMO for the Department of Defense.

And we're looking at competition more importantly in the IT space if you will. Much of what we procure is commercial off-the-shelf technology. So increased use of commercial off-the-shelf technology where we don't engage in making changes to it, so imposing and using change management to constrain costs in the procurement of business systems is very important.

I know I'm not directly related to this, but the savings you generate from those systems can be used for other purposes.

For example, we are looking at the Defense Travel System right now and we are looking to moving to commercial applications. I am currently assessing pilots to put in place about 15,000 to 30,000 users to see how it goes. And eventually to move to something that is commercial with very little change management.

BROOKS: Thank you, Dr. Zangardi.

And we are running out of time. I've got 10 seconds. I would strongly encourage each of you to do whatever you can to try to put more efficiency into the federal acquisition process particularly the federal acquisition regulatory process.

In my experience and observation over the decades it seems the procurement process has gotten drawn out more and more, at higher and higher cost. And there has to be a way to fix that.

Thank you for your time and insight.

ROGERS: I thank the gentleman.

The Chair recognizes the gentleman from New Jersey, Mr. Norcross, for five minutes.

NORCROSS: Thank you, Mr. Chairman.

Mr. Klotz, I want to follow up on your comments on MOX. I was down there last year. And some of the numbers that you were quoting are direct contradiction to what we saw and what we heard in terms of percentage finished of the plant.

Literally a few weeks ago we allocated \$345 million. And you said in the year '18 we had \$279 million. What's that being for if you are cancelling the project?

I can't hear you, I'm sorry.

KLOTZ: My bad. The actual amount would be for \$270 million for the MOX fuel fabrication facility itself, there's another \$9 million that's associated with other aspects of our plutonium disposition mission.

In any large government contract, particularly one, a large construction effort that has been underway for some years in South Carolina, there are termination costs. There are a series of steps we have to take dictated by statute and dictated by our own regulations to wind down a contract.

So if the Congress agrees with the administration's proposal to terminate MOX, then we will come back to you with a specific plan as to what we have to do to meet those regulatory requirements and at the same time how we will proceed with the facility that has been constructed thus far.

NORCROSS: So half a billion dollars for termination fees?

KLOTZ: I'd be happy to come back to you and lay out what the costs are associated with termination.

NORCROSS: So a year ago they were almost 70 percent complete. I assume they got further along...

KLOTZ: Well, we don't -- quite frankly and with respect to those who calculate a higher percentage the standard practice for calculating percent complete at least within the federal government is cost already expensed, and cost to go. So if you accept our estimates or you don't have to take my estimates, the US Army Corps of Engineers for the total project cost of \$17 billion, we've already spent as I indicated \$5 billion. That will leave \$12 billion to go. So five divided by 12 is less than 50 percent.

So our assumption of the way in which we calculate, you know, percent complete is different than others have calculated.

NORCROSS: Well, certainly, then we have to get to the bottom of that, because we are talking some considerable money as compared to what we just heard about in a few minutes.

I yield back.

ROGERS: The Chair now recognizes the gentleman from South Carolina, Chairman Wilson, for five minutes.

WILSON: Thank you, Mr. Chairman. And thank you, Chairman Mike Rogers, for your leadership of the Subcommittee with the bipartisan input of Ranking Member Jim Cooper.

Again, I thank each of you for your service. It's extraordinary on behalf of our nation.

And of course General Klotz I am keenly interested in the Mixed Oxide Fuel Fabrication Facility.

Last year Congress thoughtfully in a bipartisan manner rejected the prior administration's short-sighted proposal to terminate the Mixed Oxide Fuel Fabrications Facility, the MOX program which is 70 percent completed in the area of South Carolina and Georgia.

The Congress had many concerns with the alternatives including the legal, regulatory and political issues with storing the entirety of 34 metric tons, the fact that it does not comply with the Plutonium Management Disposition Agreement, PMDA with the Russian Federation and the fact that Congress does still not have a complete valid cost estimate of the MOX program because the Department of Energy never completed a full re-baseline.

Ultimately the authorizers and appropriators both agreed to continue the construction of MOX as the best path forward and included legislative text requiring it in the FY '15, '16 and '17.

And the question, has an industrial-scale Dilute and Dispose method with weapons-grade plutonium ever been done before? If not what is that -- if not processed, what is the timeline for removal from South Carolina and Georgia?

KLOTZ: Thank you very much, Congressman Wilson.

In terms of what we know about Dilute and Dispose we already have five metric tons of diluted plutonium largely from the Rocky Flats, a facility that used to be in Colorado, and WIPP as we speak.

We have also diluted plutonium that existed at South Carolina, that was in South Carolina and have shipped that to WIPP. In fact we've done three shipments already this year since -- as was alluded to earlier, WIPP has reopened for operations.

I went down to WIPP about a month or so ago and personally toured the site and was briefed on what they believed the capacity of WIPP is to hold not only non-weapons grade plutonium, but all 34 metric tons. And I came away from that quite convinced that 34 metric tons can fit within the WIPP facility.

So the other I think very, very interesting point about this whole process is it allows us to get plutonium out of the state of South Carolina far sooner than would be the case.

WILSON: And let's get to that now because WIPP is not industrial grade now, but you are describing something industrial grade. And what is the timeline and specifically how many years are you talking me about because my constituents are very concerned about being a dump and a disposal area which puts our region at risk.

KLOTZ: Well I don't understand the term "industrial scale."

WILSON: It's the capability to truly process a large amount.

KLOTZ: Yes. Well, we have the -- we have the ability to -- what we would have to do as, like I said we're already processing plutonium at Savannah River. And what it would require would be...

WILSON: OK. Back again because time is running out, what is the timeline? My constituents and the people of South Carolina and Georgia would like to know.

KLOTZ: Let me -- let me give you the specific timeline, it's not showing up on what I have right here sitting in front of me. But I will tell you it is far faster than anything that can be done with MOX.

WILSON: And that timeline would be? Because the reprocessing, it's gone, but what you are describing could take years.

KLOTZ: OK. Here is our -- here is our estimate. If we went down what we call the surplus plutonium disposition project we expect that we would complete the work that we need to do that by 2027. And plutonium disposition would begin in 2028 and end in 2049.

If we go down the MOX route, we would not complete the project to 2048, that is my rough calculation, 20 some odd years later. And we would not begin disposing of plutonium through a MOX facility until the year 2050 to 2051 assuming that we get all the NRC licensing completed and plutonium disposition would not end until 2065, which is again 15, 20 years after what we would be able to do with the surplus, the approach we would like.

The main difference however is the total project cost for MOX we estimate to be \$17 billion. The total project cost for the surplus disposal that we have suggested, right now we have a range of \$200 million to \$500 million to do that. And if the Congress gives us the authority...

WILSON: My time is up.

And then please look at the -- we want it removed by reprocessing our weapons-grade plutonium. What you are describing is I consider long-term but thank you very much.

ROGERS: I thank the gentleman.

The Chair now recognizes the gentlelady from Hawaii, Ms. Hanabusa for five minutes.

HANABUSA: Thank you, Mr. Chair.

I'm going to direct this question to Dr. Soofer only because of the fact that your testimony referenced it.

We are in the process of doing the Nuclear Posture Review. You are in the process of doing that. I think it's a review that's usually done every five to ten years. I think the last one was in 2010.

My question is really one more practicality. We have heard people take positions on the Triad and what we should be funding. I think even the Secretary of Defense at one time had taken a position questioning whether or not the Triad is the way to go.

We have someone who we have all listened to in terms of his review of the QDR and that of course is former Secretary of Defense William Perry at Stanford who has said, basically he doesn't like the Triad system and questions the whole use of long-range missiles for example. And I think at one point he even questioned whether we should have the concentration of ICBMs as well.

So given that and given the fact that this review isn't going to be done until the end of this the year and I understand that we should continue along the way. Decisions that are to be made on major expenditures such as the new bomber, B-21s, and all the different types of what is expected to do that Nuclear Defense Posture for this country. How do you justify that at this particular point in time when we've got people whose opinions some of us value? I think most of us at least will pay attention to. How can you come before us and take a position when we know that there is at least enough of a concern that the posture has been required to be reviewed?

SOOFER: Thank you, Congresswoman. I think there is a sense -- we feel there is a sense of urgency to get on with the program of record, because the current systems will age out within the next 10 to 15 years and if we do not begin or continue the process of acquiring new systems, there will be a gap in deterrence capability.

The previous administration has laid in a nuclear modernization program that, again, appears to be consistent with general principles of nuclear deterrence. We will examine these principles and determine in light of the new strategic environment whether they still obtain. But there are some basic fundamentals such as maintaining a nuclear Triad that the Secretary of Defense has already endorsed. And so, quite frankly, it's just a sense of urgency there if we do not continue the programs this year, there may be a gap if it's ultimately determined that these systems are needed.

HANABUSA: I understand that the Secretary may have said he's endorsing it now, but there was a point in time, maybe it was before he became Defense Secretary that he called into question the premise of the Triad as well. And the fact that the NPR has basically now been mandated is problematic.

The urgency that we speak about here, theoretically, I understand all of that. However, we've never had such an emphasis that I recall where most of the briefings that we've had in a very short period of time has concentrated on our nuclear position, and I understand that's probably triggered by Russia, China, and North Korea. However, the concept of developing a systematic posture and to review that posture seems to be one that we need to be very certain about that threat and how we best address that threat.

And that is why for the expenditures that we are being asked to authorize, how do we know that this is the best way for us to proceed? And I'm out of time, so we may have to take it to the record.

RAND: If I may, I need to comment on one comment you made about the B-21. We can have the discussion about the nuclear posture in the Triad, but the B-21 will be a dual capable airplane. There is a requirement for long range strike conventionally and that will be obviously what that airplane would be doing. Any delay to that program would be devastating. Our newest bomber is 25 years old.

HANABUSA: I understand that, General. The question more is a matter of number, whether it's 100 or 200. We've heard two numbers. That's a huge amount of numbers, but shouldn't we know whether it's 100 or 200?

RAND: The requirement right now is for 100 B-21s.

HANABUSA: Mr. Chair, I yield back. I think that votes are called.

ROGERS: The gentlelady's time is expired.

The Chair now recognizes the gentleman from Tennessee, Mr. DesJarlais, for five minutes.

DESJARLAIS: I thank the Chair.

This will be a question for Mrs. Cange and General Klotz. During our oversight in Investigation Subcommittee hearing in March on NNSA's deferred maintenance and infrastructure challenges, we briefly discussed how certain OMB directives have negatively impacted NNSA's ability to get after its decaying infrastructure. In particular, OMB Management Procedures Memorandum 2015-01 was identified as a huge problem because it perhaps unintentionally slows NNSA's ability to tear down old buildings and build new ones.

General Klotz, can you give us your personal views on that OMB memorandum and whether it impedes NNSA from making smart decisions and moving efficiently to deal with the infrastructure problems?

KLOTZ: Thank you very much for that question. I think the intent behind the directive which is "as you build new buildings, you ought to dispose of excess facilities" is a good one. When I was in the Air Force, the rule used to be "build a building, tear a building down". Otherwise, you see this behavior where people start to move into those buildings which you've moved out of and you still have an infrastructure issue.

However, I think the notion that you have to do this simultaneously is more constraining than it needs to be. I hear anecdotally, I haven't had a chance to get the empirical data on that that maybe some site directors would choose to wait to build a new building until they knew they had enough money that they could dispose of an older building. So, I would like to see -- it's good intent, but I would like to see a little more flexibility in terms of how we actually balance new construction with demolition and disposition of old buildings.

DESJARLAIS: OK. And, General, I understand your budget request will put an additional \$195 million above the FY '17 appropriated level towards deferred maintenance and repair needs at NNSA and that you, Mrs. Cange, have a line in your budget for \$225 million to deal with four excess facilities at Y12 and Lawrence Livermore.

This is good news, but I need to ask you, General Klotz, could you execute additional money on deferred maintenance and repair needs if it was provided by Congress?

KLOTZ: The backlog of deferred maintenance is so large that what we have asked is not going to buy all of it down. So, it's a question of timing in terms of which the money comes. We do have -- there are some capacity limits in terms of local craft and companies to be able to do that.

The other challenge we have in NNSA and this is where Ms. Cange can -- has to help us out is many of the facilities we have, particularly facilities in Y12 and our other laboratories are contaminated with either radioactive materials or other contaminants, and we have to go through the process of decontaminating those facilities first before we can do the standard demolition of that. So, there are some significant costs associated with some of our facilities.

DESJARLAIS: So, the \$3.7 billion backlog isn't going to get fixed without additional funding in all likelihood.

KLOTZ: Well, thanks to this committee's strong support, we stabilized the level of deferred maintenance we had in fiscal year '16. With '17, we'll see it decrease slightly, modestly and if the -- with the Congress' support, the FY18 will continue that downward slope.

DESJARLAIS: OK.

KLOTZ: I might add that again, through the support of Congress, one of the good news things that came out of the passage of the Omnibus - FY '17 Omnibus bill is we'll be able to proceed with the demolition of the Banister Federal Complex in Kansas City which is a 5 million square-foot facility -- World War II facility of which we used about 3 million. That is -- with the funding provided by the Congress, we will now be able to go ahead and do that and also save the federal government a considerable amount of money in how we do that by allowing a private developer to do the demolition and the remediation of the property.

DESJARLAIS: OK. Ms. Cange, do you expect to continue into FY '19 and beyond the excess facility line with environment management program? I think it's a great and would encourage you to continue it but is that your intent?

CANGE: Yes. We certainly hope to be able to continue to address excess contaminated facilities across the DOE complex. I will mention that the 2016 report to Congress that the department submitted on excess contaminated facilities estimates approximately \$32 billion to address all of the excess facilities across the department's entire complex.

DESJARLAIS: All right. Thank you. And I yield back.

ROGERS: OK. We have about nine minutes left to vote. So, I want to go ahead and try to get Mr. Garamendi in before we hit over to the chamber and then we'll come back after votes for the closed session.

The gentleman is recognized.

GARAMENDI: Thank you, Mr. Chairman.

Obviously, this is -- all of this is extremely important and I want to go to follow up on Mr. O'Rourke's questions about the commonality and specifically, Admiral Benedict, you have a couple of new bombs that are being reworked, the W-88 and the W-76. Are those -- my understanding of this was to last some 20 years or more into the future. Is that correct?

BENEDICT: Sir, our planning factors are -- the life extension programs are a 30-year extension to the existing life of the weapon itself.

GARAMENDI: OK, so, some 30 years. Do you need the interoperable weapon?

BENEDICT: Sir, at the direction of the Nuclear Weapons Council, the Navy, the Air Force, and NNSA were directed to conduct a study. A study, it was scheduled to commence in 2020 and we will do both, the technical analysis of the IW as well as the cost analysis. That information will be presented approximately late '21, '22 to the Nuclear Weapons Council for review, concurrence, and approval if they do so deem so.

GARAMENDI: I'm sorry, '21, '22, what is that?

BENEDICT: On 2021, 2022.

GARAMENDI: So, for the next three years, we'll continue to spend money on the interoperable weapons?

BENEDICT: We will spend money to do the technical analysis between the services and NNSA.

GARAMENDI: Excuse me.

BENEDICT: Yes, sir.

GARAMENDI: Back and forth here and I hope in a way it is not -- so, if you have two weapons...

BENEDICT: Yes, sir.

GARAMENDI: ...that currently work on the missiles and your missiles are good for 30 years and your weapons are good for 30 years, do you ever need an interoperable for at least 30 years?

BENEDICT: Sir, I would say and I'll defer to General Klotz here for one second, the Navy does not have a requirement for a third reentry body. However, as we look at the complex in total, this issue of IW is larger than just a single Navy issue. It involves, Navy, Air Force, and the NNSA.

GARAMENDI: So, where would the Air Force use this new interoperable?

KLOTZ: If I could, Congressman Garamendi, first of all, there is no money in the NNSA account for working on the interoperable.

GARAMENDI: I've just heard there's some money somewhere.

KLOTZ: Well, not explicitly for interoperable in ours. We recall a few years ago, we deferred the need date for that until 2030. So, our expectation as we've laid it out is we'll begin the very serious work on that in 2020 because it's about a 10-year process.

And the reason why we have been proceeding down the path to having an interoperable is there is an Air Force system that will require a life extension program in about the 2030 timeframe. That's the W-78 warhead. So, there was the thinking when the strategy was developed was, well, if we're going to do a life extension program to an Air Force system, wouldn't it make sense in terms of long-term cost and efficiency if as you did that particular warhead, you designed it in such a way that it could be used by both the Air Force and the Navy and subsequent interoperable warheads so that you had some commonality beyond a back and forth between the two services as you got in the 2030, 2040, 2050 time frame.

GARAMENDI: And your 50 to 80 new pits, your requirement for 50 to 80 new pits -- plutonium pits, is it based on this interoperable scheme that is somewhere off there in the future?

KLOTZ: It's based on a number of factors. One of the factors is the requirements or the next series of life extension programs which would include the interoperable warhead.

GARAMENDI: We don't have too much time to get into this.

KLOTZ: Yeah.

GARAMENDI: But, I really want to get into this in great detail because it seems to me that we're about to spend billions of dollars to do something that ultimately isn't going to happen. This interoperable warhead, I was looking over here at the Navy and they're saying not for 30 years and I haven't had the chance to get to General Rand about this, but I'd like to know exactly when his 30-year period is going to begin.

And I'm out of time and we've got votes, and thank you so very, very much.

ROGERS: I thank the gentleman.

Just in closing before we recess to meet after votes in the skiff for the closed session, on the record, General Rand, in the 2006, the Air Force identified the UH-1N helicopter is not affected by the IBM security mission. Last year, Secretary James recommended an acquisition strategy that would have sole sourced these helicopters. Secretary Carter then shelved that strategy and directed full and open competition.

General Rand, can you commit that you will make it clear to the entire Air Force that anyone who attempts to interfere with the acquisition of this capability will have absolute hell to pay?

RAND: Yes, sir.

ROGERS: Thank you, sir. We're in recess.

END