

STATE OF CALIFORNIA
GOVERNOR'S MILITARY COUNCIL
HON. ELLEN TAUSCHER, CHAIR



EDMUND G. BROWN, JR.
GOVERNOR

April 20, 2016

California Congressional Delegation:

On behalf of California Governor Edmund G. Brown Jr. we serve on the Governor's Military Council to protect and enhance U.S. military and national security operations in California, as well as support our servicemembers, veterans and their families. Our bipartisan Council – comprised of retired flag officers, civic leaders, state legislators and senior policymakers – identifies important policy issues and advises the Governor and Legislature. We also coordinate the state's diverse advocacy efforts to underscore the unique national security value of California's military bases, national security activities, defense technology companies, and workforce to policymakers and the public, ensuring California speaks with a unified voice.

As you consider the Defense Department's (DoD) FY17 Budget Request we write to outline important priority interests that benefit our military's capabilities, national security, and California. As you know, the state's defense infrastructure is critical to America's national defense. Our state provides irreplaceable air, land and sea ranges, hosts more than 30 major installations, and is home to companies that build our military's most advanced technologies. National security is a key economic engine in California, the DoD invests an estimated \$71 billion in employee salaries and contract expenditures in our state, resulting in hundreds of billions in economic benefit, making it one of the state's largest industry sectors. Below we detail an inexhaustive list of priorities important for California and urge you to champion them as Congress deliberates the FY17 defense budget bills.

Avoid Sequestration – Budget sequestration must not be allowed to return and we implore you to craft a long-term budget agreement to provide certainty for our Armed Forces. While we are extremely pleased that Congress was able to come together in 2013 and 2015 to briefly fend off these more severe cuts, defense funding has been relatively flat and political climate is likely to keep it that way over the next several years, despite a world rife with visible threats since the cuts were implemented in 2011. Even with the short-term relief, DoD's base budget has been reduced by \$800 billion since the 2011 Budget Control Act. Failure to avoid sequestration for fiscal year 2018 and beyond puts at risk every single one of California's military bases and missions, more than 350,000 DoD personnel currently serving in California, as well as those in our related economic industries. As the Budget Request puts it "...the specter of sequestration needs to be eliminated. The nation's defense strategy cannot be executed at sequester levels of funding."

Strike Fighters – To help address the critical 138 aircraft strike fighter gap across the armed services we ask that you fully restore planned F-35 procurement by supporting an additional five F-35A aircraft for the Air Force and two F-35C aircraft for the Navy in the FY17 Defense Appropriation and Authorization bills, as well as any additional unfunded requirements. This funding is imperative to restoring budget cuts to the previously planned production rate, thereby decreasing aircraft costs for essential 5th Generation capabilities to meet the growing global threat. As you are aware, the F-35 is the only current U.S. 5th Generation stealth aircraft in production and is the core of future air superiority. The program supports a nation best 320 businesses, more than 26,000 total jobs and \$7.5 billion in economic benefit. We also fully support any unfunded Navy request for F/A-18 aircraft to more quickly bridge the critical gap in Navy strike fighter capacity.

However, DoD's plan to shutter Carrier Wing 14 – based in Lemoore, and also Ventura and San Diego – in an effort to reduce the requirement for strike fighters is not an appropriate answer to the strike fighter shortfall, particularly as force projection overseas becomes more and more critical with the heightened activity in the Pacific area of operations. U.S. law requires the Navy to maintain 10 carrier air wings and we adamantly oppose any exemption to this requirement.

Unmanned Systems – Recently, the Improved Grey Eagle was named the aircraft of choice for much of the Army's reconnaissance operations. Its procurement is particularly important for the Army, largely filling the service's reconnaissance mission gap as its fleet of nearly 900 OH-58 Kiowa Warriors is retired and the AH-64 Apache is more heavily relied upon. Unfortunately, despite an Army requirement for 48 Improved Grey Eagle aircraft, deep cuts in the Budget Request mean the Army will procure zero new aircraft in FY17. We encourage restoring funding for the formally planned 12 Improved Grey Eagles in FY17, and we urge you to support the aircraft's fielding across all three Army components: Active, Guard and Reserve, something DoD has been slow to do. California is home to the highest number of unmanned system companies and jobs in the U.S., more than double the next closest state. The Improved Grey Eagle program provides California \$460 million in economic benefit.

State National Guard Aerial Operations – California relies extensively on its National Guard for disaster relief, which is one of the country's most active emergency response forces. To accomplish this mission, its primary aerial workhorse is the UH-60 Black Hawk helicopter. During the 2014 fire season the aircraft logged more than 500 hours and dropped more than 1 million gallons of water, saving lives and property. Yet, the California National Guard flies one of the oldest fleets of Black Hawks in the country. In 2015, only 55 percent of the CalGuard Black Hawk fleet was operational at any given time because of their age and required maintenance. Unfortunately, the FY17 Budget Request dramatically reduces Black Hawk funding, procuring 36 aircraft, down from 107 last year. In fact, so few aircraft are being requested that their cost has risen 50 percent in just one year. We urge you to fully fund the Army National Guard Black Hawk account by including at least 20 additional Black Hawks in the FY17 Defense Appropriation and Authorization bills. California has more than 75 businesses that help build UH-60M BlackHawks, providing more than \$100 million annually in economic benefit.

State Cybersecurity – Recently DoD announced that California has been awarded an elite cybersecurity unit: an Army National Guard Cyber Protection Team. These units will be used by the California National Guard to begin its work protecting domestic critical networks, as well as operations in support of U.S. Cyber Command. In California, these units would go a long way to support Governor Brown’s August 2015 Cybersecurity Executive Order, which among other things, established cybersecurity assessment and penetration testing requirements to harden state networks (www.gov.ca.gov/news.php?id=19083). However, funding for these units is inexplicably missing in the FY17 Budget Request. We ask that you support fully funding Army National Guard Cyber Protection Teams at \$9.876 million, which is the total necessary for the 10 announced Army National Guard units, including California’s. With Secretary Carter committing more than \$30 billion to cybersecurity over the next five years, these units represent a cost-efficient way to ensure our critical networks have the protections they need.

Shipbuilding – We are pleased to see support for the Marine Corps’ forthcoming amphibious ship and the Navy’s John Lewis-class oilers in the Budget Request, which California companies are competing for. However, we are concerned that the budget path to ensure we have a Navy with the requisite number of ships in the appropriate amount of time is fraught with risk, despite that “for the first time in 25 years, the United States is facing a return to great power competition,” according to the Navy.

The Navy continues to reel from shipbuilding funding shortfalls since the 2011 Budget Control Act, totaling more than \$30 billion since that time. For FY17, even with additional wartime funding, the Navy’s Budget Request is four percent less than what was expected last year. This problem is compounded over time by underinvestment, procurement delays, and confusion, particularly on the future of the Littoral Combat Ship. Adding to this, starting in 2021 our Navy will have a shortfall of submarines as the essential Ohio Class Submarine program comes online. This is not good for the Nation or California, particularly when China and Russia will soon have more submarines than our Navy by an order of magnitude. Obviously the capability and quality of our Navy fleet is premier, but this issue is nonetheless highly concerning. In addition, a revived plan to place half of the cruiser fleet into a long term layup status is distinctly troubling for those in San Diego, as there is no cruiser replacement yet planned. In considering the Budget Request we urge you to work with the defense committees to ensure budget limitations do not obstruct the Navy from meeting its strategic requirements and reject any action that reduces the number of Navy ships strategically homeported in California.

Replacing Russian Made Rocket Engines – As has been made well known in the press, the U.S. has been dependent on Russian made RD-180 rocket engines for vital national security space launches since 1996. Recognizing a national security concern, Congress began to address this improper reliance in 2013 and set forth productive, clear policies to develop an alternative not dependent on an ever more aggressive Russia in last year’s Defense Authorization Act. A significant national security concern exists with continuing the use of the RD-180 and we urge you to remain vigilant over their expeditious retirement. It will be our California companies that build the next replacement engine and ensure our continued unfettered access to space.

Lastly, we invite you to contact us with any questions you may have about this letter or when issues arise on which we may be supportive. Please feel free to contact our Executive Director, Andreas Mueller, who can be reached at 202-734-1478, or andreas.mueller7.nfg@mail.mil. More information about the Governor's Military Council - including our 2015 public report on California's contribution to our national security - is available online at <http://militarycouncil.ca.gov>.

We thank you for your hard work on these topics and support of our military, and are eager to work together.

Sincerely,



Honorable Ellen O. Tauscher
Chair, Governor's Military Council



LtGen Edward Hanlon Jr., USMC (ret.)
Vice-Chair, Governor's Military Council