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Full committee hearing on the nomination of Heather Wilson to be secretary of the Air Force.

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MCCAIN: Senate Armed Services Committee meets today to consider the nomination of Heather Wilson to be the 24th secretary of the Air Force.

Dr. Wilson, we thank you for joining us this morning. We're grateful for your years of distinguished service to our nation and for your willingness to serve once more. We also welcome your family and friends here with you today.

As is our tradition, at the beginning of your testimony we invite you to introduce those that are joining you today. It's a standard for this committee to ask certain questions in order to exercise its legislative and oversight responsibilities. This is the standard questions that we ask every nominee. It's important this committee and other appropriate committees of Congress be able to receive testimony, briefings and other communications of information.

Have you adhered to applicable laws and regulations governing conflicts of interest?

WILSON: Yes.

MCCAIN: Will you ensure that your staff complies with deadlines established for requested communications, including questions for the record and in hearings? WILSON: Yes.

MCCAIN: Will you cooperate in providing witnesses and briefers in response to congressional requests?

WILSON: Yes.

MCCAIN: Will those witnesses be protected from reprisal for their testimonial briefings?

WILSON: Yes.

MCCAIN: You agree if confirmed to appear and testify upon request before this committee?

WILSON: Yes.

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MCCAIN: Do you agree to provide documents including copies of electronic forms of communications in a timely manner when requested by a duly constituted committee or to -- consult with the committee regarding the basis for any good-faith delay or denial in providing such documents?

WILSON: Yes.

MCCAIN: Have you assumed any duties or undertaken any actions which would appear to presume the outcome of the confirmation process?

WILSON: No.

MCCAIN: I'd like to mention to our members that we have a 10 o'clock vote so we will not stop the committee; Senator Reid and I will bounce back and forth in order to make the votes...

(UNKNOWN): (OFF-MIKE)

MCCAIN: Yeah, yeah two votes. I'm sorry, two votes of 10:00. So we'll bounce back and forth and continue the hearing to make sure that all members have a appropriate time to ask questions.

The next secretary will lead America's Air Force in confronting the most diverse and complex array of global crises since the end of World War II; threat of terrorism and instability emanating from North Africa to the Middle East and South Asia, advanced potential adversaries like Russia and China, and rogue states such as North Korea and Iran. The world is on fire. And now, more than ever, our nation is counting on the global vigilance, global reach, and global power that are the hallmarks of Air Force capabilities.

However, in recent years your predecessor has informed this committee that America's Air Force is now the oldest, smallest and least ready in its history. I repeat, America's Air Force is now the oldest, smallest and least ready in its history.

Dr. Wilson, if confirmed it will be your mission in partnership with Secretary Mattis and the Congress to change that fact. That starts by recognizing how we got here; 25 years of continuous deployments, troubled acquisition programs and frequent aircraft divestments have aged and shrunk the Air Force inventory. The combination of relentless operational tempo and the self-inflicted wounds of the Budget Control Act and sequestration has depleted readiness.

Meanwhile, potential adversaries are developing and fielding fifth-generation fighters, advanced air defense systems, and sophisticated space cyber and electronic warfare capabilities that are rapidly shrinking America's military technological advantage and holding our aircraft at greater risk over greater distances.

In short, we have asked a lot of our Air Force over the last 25 years and the demands placed on the service continue to grow. But we have not met our responsibility to give our Air Force the resources, personnel and equipment and training it needs to succeed. We're placing an unnecessary and dangerous burden on the backs of our airmen and we cannot change course soon enough. Restoring readiness, recapitalizing our combat aircraft fleet and modernizing to sustain our overmatch will require the strong personal leadership of the next Air Force secretary. MCCAIN: Dr. Wilson, I look forward to discussing the challenges you will face if confirmed and how you plan to capple (sic) them -- tackle them.

For example, the Air Force is facing a massive bow wave of modernization investment programs and the bills will all come due over the next 10 years, just consider the list of Air Force modernization priorities, F-35A fighters, KC-46A tankers, B-21 Bombers, JSTARs, Compass Call, AWACs and a new Trainer aircraft, not to mention a modernized nuclear force including the ground base strategic deterrent B61 Gravity bomb and the long-range standoff weapon.

There's simply no way all of these important yet expensive modernization programs will fit into the Air Force budget as constrained by the Budget Control Act. It will be your task to develop and make the case for a path through this tremendous budget crunch. As you do, you will also have to be willing to challenge conventional wisdom and reevaluate how the Air Force is shaped.

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You will need to take an informed look at optimal mix of long- range and short-range combat aircraft, manned and unmanned systems, ISRs, space and cyber capabilities and key joint enablers. And you must also closely exam how the Air Force provides ready and capable forces to our combatant commanders.

Furthermore, as this committee has emphasized over the last two years, no matter how many dollars we spend we won't be able to provide our airmen the equipment they need with a lethargic defense acquisition system that takes too long and costs too much. Like all the services, the Air Force has a troubled history with major acquisition programs. That's why you can expect this committee will exercise close and rigorous oversight of Air Force acquisition, particularly on programs like the B-21 Bomber.

Today I will be keenly interested in hearing how you will streamline and accelerate Air Force acquisitions, deliver needed capabilities on-time and at cost and meet our commitments to both our war fighters and American taxpayers.

Finally, this committee honors the service and sacrifice of the outstanding men and women of the United States Air Force. At the same time, we recognize that high operational tempo, manning shortfalls, reduced readiness and lucrative opportunities outside the Air Force continue to drive some of our best and brightest to leave the service. This is only exacerbating problems such as the 800 fighter pilot shortfall you noted in your response to advanced policy questions. I'm interested in hearing your plans on how to mitigate such manpower shortfalls, improving the quality of life and quality of service of all airmen and incentivize them to remain in the service of their nation. Dr. Wilson, we look forward to hearing your testimony and how you intend to lead the Air Force to a stronger future.

Senator Reed.

REED: Well, thank you very much, Mr. Chairman.

I appreciate Dr. Wilson's willingness to serve the nation and appear before the committee as a nominee for the Secretary of the Air Force. And there is no doubt that Dr. Wilson has many of the necessary qualifications to serve in this position. She is a graduate of the United States Air Force Academy, a Rhodes scholar, a former member of the National Security staff of President George Herbert Walker Bush, and a former member of the House of Representatives who served on the House Armed Services and Intelligence committees.

However, I believe it is incumbent upon this committee to address some questions that have been raised regarding Dr. Wilson's nomination. Failure to do so could be an abdication of our oversight responsibilities and a disservice to the airmen and civilians that Dr. Wilson will lead if she is confirmed.

First, Heather Wilson & Company, LLC, founded by Dr. Wilson following her tenure in Congress had contracts with four national security administration laboratories -- nuclear security administration laboratories; Sandia National Laboratories, Los Alamos National Laboratories, Oak Ridge National Laboratory and the Nevada National Security Site; from January 2009 through part of 2011.

Dr. Wilson's company received for the \$464,000 in payments from these laboratories for consulting services. However, due to claims of contracting irregularities involving your company, the Department of Energy inspector general conducted two investigations into this matter. As a result, the contractors for operated the laboratories on behalf of the government paid back at least \$442,877 to the Department of Energy with respect to payments made to Dr. Wilson's company.

The rationale for the repayments with the absence of any appreciable evidence of work product. Furthermore, Lockheed Martin, which operated Sandia National Laboratories, agree to an overall settlement of \$4.7 million for their management failures. Let me be clear, Dr. Wilson was not on culpable of wrong doing. Nevertheless, the allegations that were levied are serious and directly involve her company. And I do think that the situation merits closer scrutiny.

Second, October 2006, Dr. Wilson contacted sitting United States attorney David C. Iglesias regarding the status of federal corruption cases to do with Mexico while she was serving as a member the House of

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Representatives. As a former member the House myself, I have concerns about this action in terms of House ethics rules and the possibility a federal prosecutor may have felt pressured by Congress in an ongoing investigation. Mr. Chairman, I raise these issues today because we've been asked to confirm Dr. Wilson to a high level position in the Department of Defense and that has implications for our national security. But equally important, we are confirming her to a position of public and we hold all our service to the high standards of conduct. And I believe the individual confirmed to lead these brave men and women must be held the same standards.

Thank you, Mr. Chairman.

MCCAIN: Thank you.

I note that we have two undistinguished members the United States Senate here this morning who would like to make brief comments. You're certainly a welcome, Senator Thune and Senator Rounds. I take it because of your advanced age you would want to begin, Senator Thune.

THUNE: Thank you; Chairman McCain, Senator Reed and members of the committee; for the honor of introducing to the committee Dr. Heather Wilson to be the next secretary of the United States Air Force.

I've known Heather for nearly 20 years and submit that President Trump could not have selected a more qualified candidate to lead the Air Force in these challenging times. I first worked with Heather in the House of Representatives when she was elected in 1998, but most recently have had the pleasure of working with her as she leaves an exceptional engineering and science university in our state; the South Dakota school of Mines and Technology.

Throughout her pathway to this nomination, Heather has repeatedly demonstrated her leadership abilities and her commitment to duty. Not only is she a distinguished graduate of the Air Force Academy, but she continued to earn her masters and doctorate degrees as a Rhodes scholar at Oxford University in England.

If confirmed, she will become the first Air Force Academy graduate in history to serve as secretary of the Air Force. Heather serve as an Air Force officer in Europe during the Cold War; in United Kingdom and at the U.S. Mission to NATO in Brussels. Upon leaving the Air Force she served on the National Security Council staff for President George H. W. Bush working on NATO and conventional arms control.

She later moved west to marry her husband, Jay Hone, and, within a few years, started her own company working with the national labs and large defense and scientific companies. However, she was soon called back to public service and she headed the Child Welfare Department for the state of New Mexico. After her election to Congress, where she served for a decade, she quickly became one of the go to members on National Security issues.

Heather wasn't afraid to take on tough issues, ranging from oversight of the president's terrorist surveillance program that led to the reform of the Foreign Intelligence Surveillance Act or sexual assault at the Air Force Academy. And in a town where whoever speaks the loudest often gets heard, people would get quite when Heather spoke because they knew that she had ideas that were worth listening to.

And now, as president of the South Dakota School of Mines and Technology, Heather has ushered in a new era of excellence and the school is well positioned to remain a foremost engineering, science and research institution.

She's also a dedicated parent, adopting a son and raising two children. I can remember her son Josh coming to the floor of the House with his mom when he was about knee-high. Her daughter Caitlin (ph) is in college and I understand has about five tests and a project due this week. And her husband Jay, an Air Force veteran himself, is in South Dakota today recovering from shoulder surgery, we wish him a quick recovery. They are great, supportive family and they will be good for the Air Force.

Mr. Chairman, Heather's proven -- has been a proven leader since her days as a cadet. She is well versed in national security policy and nuclear deterrents. She understands the Air Force's key capabilities of air and

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space superiority, global presence, rapid global mobility, precision engagement, information superiority and agile combat support.

She understands the Air Force's tremendous responsibility and role in our national security will be guided by the core values of the Air Force, integrity first, service before self and excellence in all the Air Force does. And she understand the importance of not only rising to meet the challenges of the day, but to look ahead to defeat the threats of tomorrow.

Mr. Chairman I'm honored to be with you today and honored to be able to highly recommend Heather Wilson to you and your committee. Thank you.

MCCAIN: Thank you very much Senator Thune.

Senator Rounds.

ROUNDS: Thank you Mr. Chairman, Ranking Member Reed. It is my honor to join Senator Thune in supporting Dr. Heather Wilson's nomination to be the next Secretary of the Air Force.

Senator Thune talked about her record of achievement throughout her life. I've known Dr. Wilson as a leader in South Dakota during the most recent segment of her long and distinguished professional life. She's served in an outstanding fashion as president of one of the most highly rated engineering and science universities in the country for the quality of its education and the success of its graduates, the South Dakota School of Mines and Technology.

This school's success is exemplified by the average starting salaries of its graduates which is higher than the corresponding figures for graduates of Harvard University, Yale University or the Massachusetts Institute of Technology. At a time when our nation faces the skyrocket -- skyrocketing cost of college degrees, tuition and fees for an out of state student at the South Dakota School Mines and Technology is less than \$15,000 a year, making it one of the best returns on an investment for a college education in America.

Dr. Wilson became president of the School of Mines in the summer of 2013. She's been a great leader and, if confirmed, will be the next Secretary of the Air Force -- she will leave some very big shoes to be filled by her next successor. Under her leadership the School of Mines added new programs, expanded research, raise funds to build and refurbished buildings, started an honors program, and deepen the connections between the school and the community.

People who work with her in South Dakota describe her as a great manager and an inspiring leader. And a tireless advocate for the school and her students. A few years ago, Forbes magazine had a story on the toughest leadership roles in America. They indicated we revere the skills of prominent CEOs, perhaps more than we should said one of the Forbes' articles. But there's an under appreciated formal leadership that requires far more skill than being a CEO does. It's the job of a university president.

Mr. Chairman, Dr. Wilson brought such leadership and skill to her position as president of one of the finest science and engineering schools in the nation. General Mattis knows her quality. This explains the multiple requests he made to her to leave her position, which she today finds deeply rewarding and at which she excelled; this to accept the president's nomination to be the secretary of the Air Force. South Dakota's loss will be our nation's gain.

I look forward to this hearing today and the prompt confirmation of Dr. Wilson as the next secretary of the Air Force. I thanked her for the honor of introducing her today.

Thank you, Mr. Chairman.

MCCAIN: I want to thank both you and Senator Thune. And I know that, Senator Thune, you have other responsibilities and Senator Rounds will be joining us. And we welcome Dr. Wilson.

And please, Dr. Wilson, if you'd like to introduce your family members who are here -- your son here, we'd be

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glad to. And proceed with your statement. WILSON: Thank you, Mr. Chairman. My son Joshua is here with me today, as is my brother-in-law Mike Hone (ph). And as Senator Thune said, my -- my daughter is otherwise detained and -- and my husband is recovering from surgery in South Dakota. Thank you, Mr. Chairman, for...

(CROSSTALK)

MCCAIN: Terrible place to recover

WILSON: ... and Ranking Member Reed and the members of this committee, for so -- for so graciously welcoming me. And thank you also to Senator Thune and Senator Rounds. People of South Dakota are known for being hard-working and humble and kind. And I think they are well led in both of you.

Mr. Chairman, without objection I'd like to put my whole statement in the record and then just summarize for you. My nomination was unexpected. I didn't anticipate returning to federal service. I really enjoy being a university president, being the president of the South Dakota School of Mines and educating the next generation of young engineers and scientists. And making a contribution to the community in which I live. I live a blessed life. We all do. And we enjoy the blessings of our liberty because volunteers step forward to protect the rest of us.

If confirmed, it would be my honor to lead and serve them. As senators in this committee, you know well that America's vital interests continue to be threatened, and I won't belabor the of threats that we face. But I think of some that we sometimes take for granted; American dominance in air and space power. The last time that an American ground troop was killed by enemy aircraft was April 15, 1953, during the Korean War.

Two legs of the triad have deterred our enemies and helped to keep the peace for over 70 years. And for 26 straight years, the United States Air Force has been involved in conduct -- combat operations. But dominating the high ground is not a sure thing and there's cause for concern. We have a mismatch between our strategic objectives and the military means we have available to deter and confront threats.

The Air Force is too small for what the nation expects of it. Since the Budget Control Act of 2011, the number of airmen has declined but the demand for air and space power has increased. Leaders of the United States Air Force has -- have testified that less than 50 percent of the conventional Air Force is ready for all of the missions assigned to them, and I have no reason to doubt that estimate.

We are short over 900 fighter pilots -- 900 fighter pilots short of the missions that we need to fly and fight. The Air Force is not currently ready to fight against a near-peer competitor and that should concern all of us. And our equipment is aging in the Air Force. The average airplane in the Air Force is 27 years old and the next Secretary of the Air Force will modernize fighters, tankers, bombers, intelligence platforms, the nuclear deterrent, munitions, space capabilities.

If confirmed, I will work with the secretary of Defense and the United States Congress to restore the readiness of the force. I will also work with the congress to address constraints imposed by the Budget Control Act so that the Air Force can be cost effectively modernized. As a leader, I tend to be values driven and mission focused but I'm also people oriented.

The quality of our leaders, particularly at the squadron level and wing level, really sets the culture of the United States Air Force. I look forward to working with the chief of staff to bring renewed focus to training and educating airmen, particularly focused on the quality of command. While our airmen of today have to face the fight of today, this committee and the defense committees in the congress, and the secretary in particular, really have to prepare for the future.

I hope to review and further develop the research and development priorities for the Air Force to be able to look to the long term so that we're not only able to dominate today, we're able to face our adversaries for tomorrow. In sum, if confirmed I intend to focus on readiness, modernization, the quality of command and research and development for the future.

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On a personal note, several of you know that my roots in aviation are quite deep. My grandfather lied about his age and joined the Royal Flying Corps in the First World War, the predecessor to the RAF. He flew sub-search over the Irish Sea and he helped to integrate propeller arcs with machine guns and synchronize them -- which sounds like a good idea to me.

(LAUGHTER)

After the war there was no work in Scotland so he came to America and he was a barnstormer and he opened little airports all around New England. And in the Second World War he flew for his new country, he flew for the United States of America.

My father started flying when he 13 years old and he enlisted in the Air Force after high school and he became a -- a mechanic and a crew chief, he was a crew chief on the hottest jet in America at the time, the F-84 Thunderjet. And he was stationed at Walker Air Force Base in Roswell, New Mexico and Otis Air Force Base in Massachusetts and Selfridge Air Force base in Michigan. When he got out of the Air Force he went home and in the 1950s, when a lot of women didn't even drive, he taught my mom how to fly. They rebuilt an airplane together and then he was a commercial pilot and built experimental airplanes including inside our 1,600 square foot house -- my mother was a very tolerant woman.

We live in a remarkable country. And when I have the ages 17 went into the United States Air Force Academy, I became the third- generation in my family to serve. My husband is also a 30 year retired Air Force Guard and Reserve judge advocate general. We are served by innovators and intrepid airmen who take great risks on our behalf. I have been called back to service in a role that I did not seek and did not expect.

If confirmed, I will do my best to do my duty. Thank you, Mr. Chairman.

MCCAIN: Thank you, Dr. Wilson. Senator -- if I'd ask the indulgence of committee members, Senator Tillis has to attend the funeral of a dear friend. And I ask indulgence of the committee to allow him to go first and then we'll go through regular order.

Senator Tillis.

TILLIS: Thank you, Mr. Chair. He's actually a highly decorated Marine who died just shortly after he retired and we're going to be over at Arlington. So thank you for your indulgence. And I will -- I will try to be brief.

Dr. Wilson, I look forward to voting for your confirmation and I fully expect that you're going to be confirmed. And we need strong leadership in -- in a time when -- we just -- we were in a committee hearing yesterday where we had three lieutenant generals tell us that we only have four out of over 50 squadrons that are at their highest level of -- of qualifications.

We're more than 1,000 pilots short, about 800 of them are fighter pilots. I could go down the list; we've already talked about the smallest Air Force in our history. So when you think about those deficits, they're deficits in what is the smallest Air Force in history -- and the oldest.

So I appreciate your courage in willing to take on this task. We need to hurry up and get you confirmed so that people can hear the Chairman's concerns about a C.R. that doesn't give you the certainty to start fixing some of the structural problems in the Air Force and all the lines of service. So I appreciate your courage in taking on the task, I think you're eminently qualified.

I'm going to briefly touch on a parochial issue, but I'm not -- I'm not going to ask you to -- to respond to it. Last year, and -- and I have to -- I have to agree with the chair, something that I was trying to do at Pope Army Airfield, a place where -- where Senator Reed has a lot of the fond memories of the green ramp, it has a unique mission in the global response force. And I -- I was trying to do something that I don't think the Chair liked, and he's probably right. And that was to really fix the 440th down there. Because I do feel like a physical presence down there is important to account for all the other kinds of things; whether illnesses, mechanical problems, the way that -- that they're trying to I help fulfill the training mission down there for the

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82nd Airborne.

But I -- I think, on reflection, I realized that I almost became a part of the problem. Because what I was doing was a legislative fix. What I was doing was constraining what you all need to do to optimize the resources and complete the missions in support -- in this case, the mission down at the Fort Bragg. But you -- we really need feedback from you in terms of the things that we have done in the past that would take the the 440th and put it in the -- on the top of the list of six other places that the Air Force deemed were more appropriate reductions that they could do to meet their cost-cutting goals.

In other words, Bragg and a couple of other legislative actions that would've been similar to the one that I was trying to take; those sorts of barriers need to be removed.

Our -- our -- our -- can I get your commitment to go back and look at things that Congress has mandated on the department that you think are not helpful and actually hindering you being able to achieve the other mandate that we give you? Which is reducing cost and optimizing, can I get your commitment to, fairly early in your tenure, to go after these things and tell congress they act to -- so that we can help you achieve these sufficiencies that we're also expecting you to achieve?

WILSON: Senator I -- I'm very happy to work with you on those kind of mandates but I -- and I almost...

TILLIS: There are a lot...

WILSON: Yes.

TILLIS: ... and you know, Dr. Wilson, we can -- we can absolutely get you the -- the specific use case of what resulted in the 440th decision as an example of things that we've got to change if we're really going to put you in a position to succeed in your mission.

This is the last think I'm going to talk about. That right there is actually something that started in the Air Force about 10 years ago, it's a 680 page RFP for the next generation hand gun. It started in the Air Force and then went to the Army. It took 10 years to complete. And just over the last year -- 39 pages, incidentally, are all the pages that are specifications. But almost 700 page RFP to define a handgun. That doesn't make sense to me.

In fact, we should probably already be iterating through the next handgun. Can I also get your commitment on acquisition reform? That we start figuring out why in the hell we spend 10 years and 700 pages for the next generation handgun and go look at that and maybe -- maybe work with me to figure out how we can streamline it and to what extent congress has to get involved to do that?

WILSON: Yes sir.

TILLIS: Thank you. I look forward to your confirmation.

WILSON: Sir.

MCCAIN: I thank you Senator Tillis and it brings to mind the incredible injection of enthusiasm, reform and intellect that the newer members on both sides of the aisle have brought to this committee.

Dr. Wilson, I understand that after you left Congress in 2009, your consulting company did work for Sandia National Laboratories, SNL. Later SNL and Sandia Corporation, which operates the labs, were the subject of two Department of Energy Inspector General investigations. Sandia Corporation had reached a settlement with the Justice Department to resolve allegations related to lobbying activities.

What was the nature of your work for Sandia National Laboratories?

WILSON: Senator I -- I worked for the laboratories after, on a consulting basis, after -- well actually before I was elected to public service and elected to Congress based on my background in the military and national

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security policy. When leaving the Congress the president of Sandia talked to me about working full time and joining Sandia.

It didn't seem to me that there was the right fit there. That there was a position that -- that was a good fit and I wasn't ready to make that commitment. But what we did agree instead was that I would work for them about a quarter time, about 50 -- 50 hours a month for the president and the vice presidents of the labs.

After working that way for about 18 months a position opened and they interviewed a number of people for it and, in February of 2011, Sandia offered me the position of vice president over all the non- nuclear defense and intelligence programs, about 1,400 employees and about 13 -- about 30 percent of the labs work. I declined that offer in order to run for the U.S. Senate.

With respect to the things that I did for the lab, I served on the -- well I did work four laboratories, at the Nevada Test Site I served on the president's advisory panel, I also was asked to review some special classified programs, at Oak Ridge National Lab I served on their global security division advisory board with respect to intelligence programs.

At Los Alamos I did most my work there, again, with the intelligence directorate and looking at field intelligence element operations and alignment, special program reviews, cognizance of national security policy, and matters related to the decline in thought leadership on the nuclear weapons program, as well as advice and support to a new vice president for intelligence matters.

At Sandia I served also on their intelligence advisory board. I helped them I think a great deal with respect to strategic planning on nonproliferation and their nonproliferation advisory board with respect to nuclear materials. Did numerous program reviews, helped with cyber security in their new cyber program. There are some special satellite programs at Sandia that I also assisted...

MCCAIN: You have to...

WILSON: ... in...

(CROSSTALK)

MCCAIN: You'll have to summarize your answer, Dr. Wilson, I've got other questions.

WILSON: Senator, there was a wide variety of national security things that I did. I also served, although not directly, with the -- with the congressional affairs office. I was always available to them to answer the vice president and president's questions concerning the general operation of the United States Congress and the federal bureaucracy.

MCCAIN: Did you contact any member of Congress and federal official concerning a contract extension for Sandia Corporation?

WILSON: No.

MCCAIN: Did you recommend that Sandia Corporation take the position that competition of its contract was not in the best interest of the government?

WILSON: Yes.

MCCAIN: Why?

WILSON: Because it was not. The -- it is my view that the national laboratories are special assets. They are government owned assets and we've had very long tenure and stability in those national laboratories. MIT Lincoln Lab, for example, as had MIT as its operator since 1963.

These are -- these are non-profit, government laboratories that have an -- a -- a management and operating

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contractor and they're -- they're a very long tenure.

MCCAIN: If confirmed, will you advocate for competition -- for the competition of Air Force contracts?

WILSON: Yes, when it's in the best interest of the government.

MCCAIN: We disciplined or cited for breach of ethics in connection with your consulting work for Sandia?

WILSON: No. MCCAIN: Were you investigated or charged with violating any law in connection with your consulting work for Sandia?

WILSON: No.

MCCAIN: Do you view that your work for Sandia in any way would pose a conflict of interest as far as the assumption of your duties as secretary of the Air Force?

WILSON: No.

MCCAIN: All right, thank you. Thank you, Dr. Wilson.

Senator Reed.

REED: Thank you very much, Mr. Chairman.

Let me just continue -- and, as I indicated in my opening statement, at the request of that security national -- National Nuclear Security Administration, the Department of Energy I.G. reviewed certain consulting agreements awarded to Heather Wilson & Company LLC, whether they were appropriately administered and managed. And essentially that was a sole proprietorship as I understand.

Two significant issues were identified in this review. It appears that you may have been charged many as four different government owned and -- contradicted operator sites for the same consulting services for which you received approximately \$450,000. The I.G. noted that under the Federal Acquisition Regulation, fees for services rendered are allowable only when supported by evidence of the nature and scope of the service provided.

The I.G. concluded that you did not comply with this requirement, nor was it enforced by the contracting official involved. And while the contracting official did not enforce the Federal Acquisition Regulation to you contract, were you aware of the requirements to provide evidence supporting your 50 hours of work for \$10,000 a month for Sandia and Los Alamos?

WILSON: Senator, I did the work. I complied with the contract. The review found no fault with me and the DOE auditors never even talk to me.

REED: But were you aware -- my question is, the -- the need to maintain work product and evidence...

WILSON: Senator...

REED: ... of your work...

WILSON: Senator, I submitted...

REED: ... mainly for accounting purposes. WILSON: ... substantial work product and worked directly for the laboratories for no less than 50 hours a month.

REED: Do you have records showing that you were spending 50 hours a month doing that?

WILSON: Senator, if the DOE auditors had bothered to talk to me I would have been able to help them with that when this matter occurs seven years ago no.

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REED: So your position is that you had no knowledge of the requirement to maintain records and that whatever records you acquired are no longer in your position.

WILSON: Senator, I complied with the contracting, provided the work that the Sandia -- that Sandia National Laboratories and the other laboratories asked of me.

REED: Were versions of those -- did versions of those contracts contain language requiring record keeping and do you reject those versions of the contract before you signed it?

WILSON: Senator, I don't believe so, I don't recall anything like that.

REED: So you don't recall drafts of contracts that were offered to you that required, according to FARA regulations that you would maintain records of your work so that they could be validated? You don't recall that?

WILSON: Senator, the contracts that I signed were pretty standard contracts...

(CROSSTALK)

REED: I'm talking...

WILSON: ... provided by Sandia and Los Alamos and so forth.

REED: Did you review contracts before you signed the final contract and made comments?

WILSON: Yes, Senator.

REED: So there was a negotiation about what would be in the contract and what would not be in the contract? WILSON: Senator, mostly with respect to the statement of work, yes.

REED: And in that negotiation did you cause or agree to the deletion of the requirement to maintain records at all?

WILSON: I don't recall that at all sir.

REED: Just let me ask a question which is much more pertinent today which would be, if U.S. Secretary of the Air Force were -- discovered an invoice paid by a laboratory under your management which simply said consulting services 8/1/2010 to 8/30/2010, \$10,000, would you accept that?

WILSON: Senator, I would expect that people who are managing that contract to manage it well. In this case, I was in very close contact with the people at Sandia, they knew exactly what I was doing, we worked every -- often several times a week together on things that they wanted me to do. I fully complied with the contract and I did the work.

REED: Why would the Lockheed reimburse the government \$414,000 or more for work which the government could not find nor could the Lockheed find evidence and not try to reimburse or ask you to reimburse monies?

WILSON: Senator, you would have to ask Sandia that.

REED: So you -- if you were secretary of the Air Force you would not probe down to the actual contractor or the sub-contractor to determine what was done and see if they were culpable or anything?

WILSON: Senator, as I understand it, at least initially, Sandia rejected the conclusions of the Department of Energy audit as well.

REED: Let me shift -- shift quickly to -- in 2008 a report of the Department of Justice indicated that you contacted David Iglesias, U.S. Attorney for New Mexico, to inquire about the prosecution of certain public

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corruption cases.

The House's ethics manual, in fact, at the time provided that a request for background information or a status report from a federal attorney, quote, may in effect by an indirect or a subtle effort to influence the substantive outcome of the proceedings, closed quote. And further states that the best way to communicate is in writing and make it part of the proceedings.

Why did you call Mr. Iglesias about the -- the public corruption cases?

WILSON: Senator, let me correct one of your assumptions there. I did not call him about particular cases or any particular person, this matter was reviewed by two independent groups both the Department of Justice and the House Ethics Committee. The House Ethics Committee interviewed Mr. Iglesias and chose not to even -- even start an investigation of me. REED: I...

WILSON: With respect to why I called him, it's because public corruption was a serious problem in the state of New Mexico. And a -- a -- a -- an individual or constituent with knowledge of ongoing investigations told me that the U.S. attorney was intentionally delaying corruption prosecutions and I felt as though I had to address that allegation in some appropriate way...

(CROSSTALK)

REED: Now so you -- you did not call him about corruption cases specifically but you called him about corruption cases. Which I think logically, people would infer --I mean, that he would infer were those cases that were -- were pending before his -- his the district -- federal attorneys office. Is that a fair assumption?

WILSON: Satire (ph) -- sadly there, at the time, were a very large problem with public corruption in New Mexico and a large number of investigations underway.

REED: You -- you said you called in response to an inquiry by someone. Who -- who was that person?

WILSON: Senator, someone trusted me to do the right thing with information that concerned them. And I didn't betray them then and I'm not going to betray them now.

REED: Well, I think it's important because it -- it adds to sort of the motivation for the call. If this was a --a random constituent, that's one factor. If this was someone who had an issue or a motive to bring the cases or not bring the cases that wouldn't -- I think casts this call in a much different light.

So I think it's very unhelpful to not be able to indicated if this was an innocuous call about the general status of prosecution in the state -- your home state prompted by an innocuous contact by someone; I don't see why you would be reluctant indicate who urged you to call.

WILSON: Senator, I didn't betrayed them then and I'm going to betray them now. I do think that the -- the issue here, and you and I come from a very similar background...

REED: We do.

WILSON: ... you came from West Point, I came from the Air Force Academy; that one of the appropriate ways to resolve an allegation of impropriety is to talk to someone about it. That's what I did with David Iglesias who was a personal friend. He gave me his word and I took him at his word.

REED: So that you called to a federal official in his federal role to make an inquiry about pending cases, maybe not specifically, based on anonymous contacted that you received. WILSON: It was not about -- Senator, I called him to resolve an allegation of impropriety made against him. You and I both know that in some ways ethically, the most difficult questions to ask yourself or to deal with are not about what you do as a person, but whether you tolerate other behavior. And I had an allegation that -- that -- the U.S. attorney was intentionally delaying corruption prosecutions.

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In some way I had to resolve that. And I chose to resolve it by calling him and asking about it. He denied it and I took him at his word.

REED: Well, I find it still very unsettling. Thank you.

Senator Inhofe.

INHOFE: Dr. Wilson, I think we covered it pretty well in your opening statement and the questions that were asked of previously. But, you know, it's worth restating -- and I think it's very important that -- because people out there don't know what our situation is.

Now, you stated and you stated again your opening statement, we have a mismatch between our strategic objectives and the military means that we have available to deter and confront threats. That kind of says it all. It's a -- it's a very good statement. But then, within that, we hear from other, General Goldfein, for example, said the most pressing -- that was to this committee -- challenge for the U.S. Air Force is the rise of peer competitors with advanced military capabilities rivaling our own.

Now, what he's saying is, it's not like it used to be, we're automatically better at everything, those days are behind us. Hopefully those -- that will change. But nonetheless, that's a problem that we have. Now we're faced now with looking at some new -- new equipment coming in and some of the problems that we learn from the past.

I will quote the General Carlisle, he said, "We don't have enough F-22s, it's a fact of life. We didn't buy enough, that's because we were short sighted, curtailed the F-22 procurement to just 187 when it started off to be 781." Now, some of the same arguments are used to end the -- the -- are used to end that program are now used in reference to the F-35 and the B-21. I would hope -- and I know that you have studied these causes and the problems that we had in the past that you could use our past failures to avoid another problem coming up, does that make sense to you?

WILSON: Yes Senator, it does.

INHOFE: Last month we had a readiness -- Readiness Subcommittee, I chair the Readiness Subcommittee, we had all four vices in there including another Wilson and he did a very good job. During that time he talked about the -- the problems that are facing us right now and -- and I know that you have already studied that.

The only think I wanted to get to was, this morning I -- I saw that the -- what was the name of the...
(UNKNOWN): (OFF-MIKE)

INHOFE: ... yeah, "Air Force Times" had a -- an article by Gina Grosso and -- who is the personnel chief of the Air Force. In here she points out the very good case on the pilot program. You have -- I have been active and still am an active commercial pilot, so I talk to a lot of these guys and gals that are out there and are making -- are faced with the problem that she -- points out, vividly.

And that is that we have a high op tempo on the ones that are actually flying out there but the ones that aren't flying and are not out in front are not getting the hours. And I -- I won't quote all of the statistics that we have but I know that you understand that that is the case. So I would hope -- it seemed like she was stressing the idea that you can go from 25 to 35 on a reenlist bonus and somehow solve the problems.

I don't think that's going to be enough, I think we're going to have to do something about the training of these guys and allowing them to fly hours because right now they're flying about one fourth the hours that they were prior to -- over the last 10 years. So, I'd like to ask that you get involved in that end of the argument and that you and I can talk about this because I see this as a pretty serious problem that we have.

WILSON: Senator, I look forward to that.

INHOFE: That's good and I look forward to supporting you, thank you.

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REED: Senator Peters please. On behalf of the Chairman.

PETERS: Thank you -- thank you Senator Reed.

Thank you Dr. Wilson for being here, I enjoyed our conversation in the office and appreciated the opportunity to -- to kind of dig deeply into a number of issues that are confronting the Air Force and I appreciate your appearance here today.

I have kind of a broad question I want to start with and then I want to drill down to some things more specific to my state in Michigan, but -- you know, I want to talk a little better here -- a little bit more of your thoughts on R&D, you mentioned that in your opening statement as we have to think about the face of warfare years ahead and -- and that -- those changes are happening a lot quicker than any of us had anticipated.

As the senator from Michigan and being intimately involved in self driving vehicle, so soon we're going to have self driving vehicles here before us, much sooner. And we expect the same thing when it comes to autonomous so of flying vehicles as well; UAVs will likely transform the face of warfare is as -- as well as a lot of other areas. It also may address things like pilot shortages, although we have to deal with that now.

That doesn't to relieve us of a very significant challenge that we're facing right now. But do what you see of for the future of airpower going forward? What sort of R&D work do we need to do? I've had some folks tell me that we may have constructed the last of fighter aircraft with a human pilot in it, that that's going to change dramatically. Just kind of generally your thoughts.

WILSON: Senator, I look forward to -- to working with the -- the scientists and engineers to -- to help -- to identify what are the most important vectors to pursue. But there's one thing it's very clear, and that is that the pace of change is going to accelerate. And we're either going to have to rapidly accelerate ourselves and be able to spin on innovation into the service, or we're going to be left behind.

But it's in things like autonomous systems, network systems, advanced materials. I think there are -- there are a wide array of things. But one of the things that concerns me is the low percentage of Air Force budget that's actually spent on R&D. And I -- and I -- I think -- that concerns me because if you -- if you look at -- you know, my -- my grandfather flew -- started flying shortly after the Wright brothers. He lived to see a man walk on the moon.

The pace of innovation in this field is stunning and we are either going to continually innovate or we're going to get it left behind.

PETERS: Right. That's accelerating as well, that pace, as you rightly portray.

Dr. Wilson, I'd like to talk a little bit about Selfridge Air National Guard base. A base that you know very well because of your father's service there. We're very proud that that he served at our base in Michigan. And, as you know, they currently host the A-10 fighter aircraft and the KC-135 tankers.

When the Air Force planned to retire of the A-10 sooner than they're planning to do now, the mission of record for Selfridge listed removing the A-10s and doubling the tanker mission, adding additional KC-135s in fiscal year 2021. For the airmen that fly and maintained of these platforms, more certainty and clarity about the future of that mission and -- at installations like Selfridge is certainly very important to them.

And now that we know that the Air Force will be retiring the -- will not, I should say -- will not be retiring of the A-10 in the near term, will you review the mission of record of bases that have A-10s like Selfridge? And would we expect that kind of review coming forward?

WILSON: Senator, first at the -- the chief of staff and the Air Force has committed to keep the -- keep the A-10s, certainly -- I think it's out through 2020. The -- the Air Force has a strategic basing process to look at basing and planning. And I -- what I will commit to you is that it'll be straight. There won't be any thumbs on the scale.

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We will -- we will have the Air Force do things based on the best interests the country and the Air Force. That often means that where one senator may be in the end very happy there were 49 was not and -- or -- or 49 states that are not. And -- I but I will -- I will commit you to be open and transparent. And to be -- to be fair well.

PETERS: Well, yeah and related to that is the -- the strategic based -- basing process for the F-35. Without -- you know, we currently have five candidate basis that have been determined through that process. And I would hope that we would continue to move the process forward without any type of modification and hopefully have your commitment to do that.

It's been a good process and needs to continue as it's been spelled out, I believe. WILSON: Senator, I -- I -- as I -- as I understand it, the Air Force is moving forward with that and has no -- has no plan -- they're obviously doing a review directed by the secretary of defense with respect to the F-35. But I -- I have heard nothing yet about any -- any -- any change to its strategic basic plan.

PETERS: Great. Right. Well, thank you very much, appreciate your answers.

MCCAIN: Madam -- Dr. Wilson I would hope that part of your new duties you would call Senator -- Colonel Graham back to active duty.

Colonel Graham.

(LAUGHTER)

GRAHAM: Thank you. We don't want to help the enemies, I would recommend you not do that.

(LAUGHTER)

But I did enjoy my time. So about basing of the F-35, would you agree with me that the strategic basing initiative was based on fewer F-35s with a declining budget, the idea that we're not going to have as many F-35s as we'd like because of sequestration?

WILSON: Senator, there's no -- no question that sequestration is -- is placing great constraints of the force and we need to fix this.

GRAHAM: Would you agree with me that if we had more F-35s we'd need to probably look at more bases in terms of where to deploy them, if the budget numbers change?

WILSON: Senator, if the budget number changed and there were more aircraft you have to have a place to put them, that's...

GRAHAM: OK. I -- I would urge you to do that because I'm not so sure the first product was that well thought out but the bottom line is, a continuing resolution from April of this year to September of this year would be a disaster for the Air Force, do you agree with that?

WILSON: Yes sir, I do.

GRAHAM: So if this body cares about the military at all we would not pass a continuing resolution? WILSON: That's correct.

GRAHAM: So we actually need a budget. Do you agree with me that the amount of money we're spending on the Department of Defense in terms of GDP is -- virtually a historic low?

WILSON: Senator, I haven't seen the most recent chart, but I'll -- I'll accept that.

GRAHAM: Do you agree with me that the threats to this nation are growing not lessening?

WILSON: Yes.

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GRAHAM: When it comes to North Korea -- I know you're new to the job and you'll be an excellent Secretary of the Air Force -- could not congratulate the president stronger than choosing you. Because you understand the Air Force, you understand what the challenges we face.

Do you see, without some change, North Korea developing a missile that can strike the American homeland with a nuclear weapon on top of it, do you think that inevitable without change?

WILSON: Senator, I haven't had a classified briefing on North Korea for some time but based on what we're seeing in the public press there's serious cause for concern.

GRAHAM: Would you agree with me that that is a bad news day for America, when North Korea can reach our homeland with a nuclear tip missile and we should avoid that if at all possible?

WILSON: Yes sir.

GRAHAM: And air power may be necessary to avoid that, is that correct?

WILSON: Sir I haven't seen any kind of plans or had a classified briefing...

GRAHAM: OK.

WILSON: ... but I think air power and strong air power is necessary for just about any operation.

GRAHAM: When you look over the arc of time the next 10 or 20 years, it seems to me that Iran is marching toward nuclear capability in terms of assets available to the President of the United States to deter Iran from going nuclear, to deal with an aggressive Russia, China, that we need to modernize our force as quick as possible?

WILSON: Yes sir.

GRAHAM: OK. When it comes to the airmen who served so well, do you agree with me that the war on terror has taken the Air Force in new direction never envisioned? Where airmen were out there basically doing infantry jobs because the shortage in the Army? WILSON: Yes sir, in some ways.

GRAHAM: Driving trucks, doing things that -- and here's where I was just...

WILSON: Sir, we can drive trucks too.

GRAHAM: Yeah, but really combat, you know...

WILSON: Yes sir. We have battlefield airmen who are -- have always been battlefield airmen doing -- doing...

GRAHAM: Right.

WILSON: ... Air Force jobs on the ground.

GRAHAM: I would say that there are more battlefield airmen today than any time since World War II and I would urge you to capture that and preserve it. Because, as we talk about technology changing the Air Force one thing we'll always need is brave young men and women. And the more versatile our Air Force, the more able it is to meet the threats of the future, I think the better off we are.

And when it comes to asymmetrical warfare, what role do you see the Air Force playing? And can you think of a better platform than the A-10 for the moment against the fight we have against ISIL and other asymmetrical threats?

WILSON: Senator, 40,000 munitions have been put on the ISIS target since 2014, 90 percent of them have been delivered by the United States Air Force. It's an air commander who has to decide at the moment what platform he needs to do a particular job in a particular place; whether that's an F-16 or whether that's in F-18

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or an A-10. Just depends on -- depends on the job. And we need to make sure that that air commander has all kinds opportunities to defeat and kill the enemy.

GRAHAM: Final question; on the asymmetrical battlefield against radical Islam we've played an important role in the Air Force. But part of the Air Force's duties is to offer a nuclear deterrence and deter nation states from ever getting in a fight with the United States.

Do you believe that our ability to deter war has suffered because of sequestration and that the best way to deter war is to make the enemy think they cannot win the war? And you've going to need more money and more people to do that?

WILSON: Yes.

GRAHAM: Thank you.

MCCAIN: Senator Fischer.

FISCHER: Thank you, Mr. Chairman. Dr. Wilson, in your responses to that committee's advanced policy questions you answered a question about the necessity of maintaining a nuclear triad. And you stated that, quote, "We must maintain a safe, secure and reliable nuclear deterrent. The deterrent has been effective for over 70 years, the air and ground legs of the triad were a core mission of the Air Force and will continue to be a core mission," end quote.

You also mention that briefly in you opening statement. I appreciate your statement that the nuclear mission is a core mission of the Air Force and I understand that if confirmed, you will only be responsible for the air leg and the ICBMs, but is it your personal view that we need to maintain the entire triad?

WILSON: Senator, I do think we need to maintain the entire triad.

FISCHER: Where -- where do you believe we are right now with regards to modernization for that triad? And specifically the two legs that, if confirmed, you will be responsible for?

WILSON: Senator, based on the publicly available information that I've been -- had access over the last three months it seems to me that we're -- that, you know, the Minuteman was a -- is a 1970s -- is 1970s missile. The Air Force doesn't believe they can extend the life of it any further.

Likewise, we need to modernize the -- the air based -- the air base deterrent. And the B-21 is being designed from the beginning to be -- to be nuclear capable. We also need to modernize the command control and communications system for the control of our nuclear deterrent.

So modernization is needed across the board and there's only so much you can do with 70-year-old materials. And I think it's -- it's time to -- say we've got to replace them.

FISCHER: Have you had an opportunity yet to look into the debate that's going on about a possible third site for missile deployment? And if so, do you have an opinion on that?

WILSON: Senator, I have not had an opportunity look at that.

FISCHER: Thank you.

Doctor, I'd also like to ask you about the UH-1N Huey helicopters that are currently performing the nuclear security and the continuity of government missions. And last year we saw General Robin Rand, who command the Air Force Global Strike Command, testifies that quote, we will not meet the emergency security response with the present helicopter.

Admiral Haney, who was then the STRATCOM commander, went into greater detail before this committee stating that the current helicopters quote, "Don't have the lift capability, speed capability to meet the

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requirements that have been approved and validated through a number of studies as well as Mighty Guardian exercises," end quote.

He went on to describe the need for replacement as urgent and that was a year ago. Despite the clear need the Air Force's replacement program continues to be delayed time and time again and just last month the Air Force withdrew the draft RFP and changed the acquisition strategy. If confirmed, I would like your commitment to ensure that the Air Force moves forward as soon as possible to replace this aging fleet. Are you ready to give a commitment at this time?

WILSON: Senator, I will look at the UH-1N program it's something that I've just looked at the very top level at this point but I will -- it's many of the many modernization programs that I am sure I will be looking at very closely.

FISCHER: But I know you do understand the importance of making sure that those fields are protected and there -- there's limited capability of doing so?

WILSON: Absolutely.

FISCHER: Thank you. When you and I met in my office we discussed the Air Force's troubled history with its nuclear mission and that was particularly stemming from a lack of senior leader interest in the area.

And to its credit the Air Force has made this a high priority in recent years, I hope that we would have your commitment to continue to make this area a high priority and that you'll be an advocate for the needs of our nuclear forces. And that includes space, it includes the command and control system that we depend upon, could we have that commitment at this time?

WILSON: Yes.

FISCHER: OK. Thank you.

Thank you Mr. Chairman.

MCCAIN: Senator Rounds.

ROUNDS: Thank you Mr. Chairman.

First of all, I'm just very happy to have you here in front of us today and I look forward to a very speedy confirmation process for you. Just curious, when you have the opportunity and I would suspect that you're going to have lots of opportunities in the future, what's your elevator speech regarding the effect of the -- the sequester, the BCA on the United States Air Force?

WILSON: I think it needs to be repealed and the -- there a variety of ways that -- that the Congress might do that, but it is -- it is hurting the Air Force and our ability to defend ourselves. And, more importantly, the most immediate issue that the -- that the Congress is going to face is the -- the possibility of a continuing resolution. And if there is a continuing resolution for this year we will make all of the problems that we're talking about here so much worse. We will have to stop non-combat flying hours in the Air Force, the pilot exodus would increase, the aircraft won't be going to depot to be maintained, there'd likely be a freeze on -- on civilian hiring. We -- we can't operate this way, we need to get beyond the Budget Control Act and get back to normal operations for -- for budgeting.

ROUNDS: As you know, there's a dispute within our party regarding the right balance between increased defense spending and deficit reduction, where do you come down on this issue?

WILSON: Senator we've got to -- you know the debt is also an issue for our country but I think this is a country that can afford to defend itself.

ROUNDS: A matter of priorities perhaps?

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WILSON: Yes Senator.

ROUNDS: You're probably about probably a third of the way through your -- your hearing today. I would suspect. I'm just curious, with regard to the questions that have come up so far today, are there any of the questions questions that you perhaps haven't had the time to answer fully?

Anything that you'd like to add any of the questions or clarifications any the questions that been in front of you so far?

WILSON: No sir, not at this point.

ROUNDS: Very good.

Let me talk a little bit about how we're going to move forward in the Air Force with regard to technology and the need to upgrade the entire system. We have pure competitors. And I think everybody would recognize that both China and Russia have been moving forward. Not only with the development of new aircraft, but with a -- the --a --the new aircraft with large numbers.

How do we move forward with regard to we have fourth gen; we've got some fifth gen, not enough.

WILSON: Yes.

ROUNDS: What's the right mix between our fourth-generation aircraft which are clearly mature -- clearly can have some upgrades added to them. But with the changing environment, how do we add?

What -- what -- what do we do in terms of upgrading the technologies so that men and women that we send into battle have absolutely no question the best equipment? And that every single fight they ever get into is not a fair fight, one in which they clearly have the technological advantages? How we move forward and where do we go? Do we keep fourth gen? What do we do? WILSON: Senator, there will be fourth-generation aircraft around for a long time. As to what's the right mix, I'd have to defer to the -- to the -- to the uniformed military as well as to the -- to the civilian folks in the Air Force whom I have not yet really been fully briefed on what are they looking at for -- for -- for plans. And the Air Force is always planning.

But I would say this, I think it's really important to get capabilities from the drawing board to the flight line faster. The cycle of innovation has to be faster. You have to fix requirements, move forward, get small focused project management teams and get things out the door. Because unless you do, you will always be left behind.

(UNKNOWN): Go ahead.

WILSON: Long procurements have changes in requirements and -- and costs escalate. And -- and the -- and the people in the field don't get what they need to do the job. So -- so I think those things. I'm very interested in becoming more familiar the experimentation and prototyping authorities that the -- that the Congress is put in the last Defense authorization to act.

And, of course, I think it needs to be easier to buy commercial products, particularly in areas of very rapid -- were there's very rapid innovation. Where we need to make sure that the military has access to high-quality services and capabilities that may have been developed for a non-defense purpose.

ROUNDS: Prepared to take comments from individual organizations -- a contract with the government now to provide a lot of these -- these -- these -- the pieces of equipment, these new technologies in terms of what they see as the most efficient way to move forward with new acquisition plans and so forth.

Recognizing that they've got a fit our need, but also recognize that sometimes folks that are living within those -- those fields are sometimes some of the best places to get good advice about -- about the ways to expedite and streamline a -- a very broken process today?

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WILSON: Senator, very open to all kinds of ideas.

ROUNDS: Thank you.

Thank you, Mr. Chairman.

REED: Thank you.

On behalf of Chairman McCain, Senator Wicker, please.

WICKER: Thank you very much, Senator Reed.

And, Dr. Wilson, it's -- it's wonderful to -- to have you back here and I look forward to you serving in government again. You were a terrific colleague in the House. We've talked about retention of pilots -- or we've talked about the pilot shortage. And part and parcel to that is the retention problem we have.

They're so well-trained -- they're so talented, they're so marketable that the private sector wants to -- to hire them. So to speak to that, if you will. But also, do we have the same problem with the cyber workforce in the Air Force? And what are we going to do about that? Because -- because these folks are so skilled and so smart and the demand for them is -- is so keen out there.

WILSON: Senator, let me talk -- let me take those in reverse order. With respect to the cyber workforce, you're right. The demand is very high outside of the Air Force for those -- for folks with those capabilities.

One of the things that you put in the Defense Authorization Act last year was to -- to allow the services to explore some other direct commissioning programs. And I'd like to -- to kind of turn to the Air Force and -- and kind of asked them whether that provision might be used in the area of cyber. And particularly whether there are opportunities for National Guard and Reserve units in cyber that -- that we could locate in places where there are -- there are concentrations of highly technical people.

And -- and I would be interested in, you know, turning to the Air Force and asking them that and working with you all on it. With -- because it's going to be an issue, they're just -- they're to highly valuable to not be taken away. With respect to the pilot issues, are a couple of things. I was very pleased yesterday to see a General Grosso's testimony concerning targeted bonuses.

So it is not across the board, it is more of a negotiation to try to keep as many pilots as we can. And a lot of flexibility there with respect to trying to retain a pilot. But it's not just about the money, because we'll never be able to compete with the commercial airline industry. It's gonna be about the quality of service and being able to do the job, and that's readiness.

If a pilot can go out and fly today, if the -- if the aircraft is ready today, it's maintained, they have enough -- they have enough jet fuel for -- and enough flying hour time; you're much more likely to keep them. And I think there are a lot of additional duties that get added in -- or -- for people who are here to fly and fight. And we need to try to make sure that their experience of flying in the Air Force is something no one in their right mind would ever give up.

(UNKNOWN): Unlikely events...

WICKER: Is it partially about bonuses, though? And I wonder about how much we're talking about spending.

WILSON: Senator...

(CROSSTALK)

WILSON: ... there are some bonuses that -- that -- that, I mean, General Grosso testified about that yesterday and you all have authorized some additional pilot retention pay. What I was pleased to see, and -- and you all authorized, was the Air Force testify yesterday about using those dollars flexibly. So that we just

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-- don't just say across the board, "If you're a pilot then you get this X bonus for Y number of years."

But -- but to -- as private industry does, make this a bit of a negotiation and certainly try to keep pilots in the areas where we're short. So particularly in -- in -- in -- we know we're having a problem with fighter pilots. Allowing the same amount of money as a bonus for somebody who's not a fight pilot doesn't make a lot of sense to me.

WICKER: So we can agree it's -- it's a matter that needs attention both with the fighter pilots and the cyber force?

WILSON: Yes, sir.

WICKER: Now, you mention on page two of your testimony, the quality of -- of leaders at the squadron level and also education of airman and the quality of command. And you talked about this in the answers to the questions that -- that you answered in -- in writing.

So what concerns -- what is the specific concerns about the quality of command at the squadron and wing level?

WILSON: Senator, I think it's at the squadron level where you really set the culture for the Air Force. And if an airman has confidence in their first sergeant and their squadron commander that they'll do the right thing, they'll treat them fairly, and that they care about him; you've got a great, well led Air Force.

WICKER: We've been the deficient there?

WILSON: Senator, it's not so much that we've been deficient, but we've always got to be developing those young leaders. And the Air Force does it differently than the other services and it is really driven by the way we do our mission. Someone is put in the cockpit and they're flying and -- and mastering that weapon system with very little responsibility for people until they become a commander.

As I understand it, there's about a one week training course and then you're on the job. I think that perhaps we can learn something by taking a step back, looking at how the other services develop their commanders -- or even other countries. The RAF or the Israelis or whomever. To see what could we do better to -- because if we -- if we have well-trained and well-educated, well prepared squadron and wing commanders and first sergeants we will have set the culture in a positive way for the United States Air Force.

WICKER: Put your thinking cap on, we look forward to...

WILSON: Thank you.

WICKER: ... having your thoughts.

WILSON: Thank you, sir.

WICKER: Thank you, Mr. Chairman. REED: Thank you.

On behalf of Chairman McCain, Chairman Sullivan, please.

SULLIVAN: Thank you, Mr. Chairman.

And, Dr. Wilson, welcome. And thank you for your great service to our nation. Very, very impressive. You know, my state -- the great state of Alaska has been called by the father of the Air Force, Billy Mitchell, the most strategic place in the world. And right now we are -- we are the hub air combat power for the Asia-Pacific.

With the F-35s coming, we'll have over 100 fifth-generation combat coded fighters. We have an entire strategic airlift and mobility command and control with C-17s, KC-135s, AWACs, a whole host air assets. And

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of course we have JPARC, which General Welsh referred to as a crown jewel of air to air combat training anywhere in the world. Bigger than the size -- an air space the size of Florida.

So can I get your commitment, if you're confirmed, to come to Alaska with me and see this critical state -- critical strategic location for the U.S. Air Force?

WILSON: Senator, any day in the field is better than a day in the office. I would very much -- I look forward to coming out to Alaska and to a lot of other places and seeing where we are. And -- and yes, I'd love to come to Alaska.

SULLIVAN: Great.

With regard to the -- last year's NDAA, there was a provision the talked about the characteristics and principles that the Air Force should be looking at with regard to the O-CONAS (ph) basing of the KC- 46. A lot of those characteristics actually look like Alaska. I -- General Goldfein was up for his confirmation, he gave me his commitment that he'd look at those characteristics hard and give Alaska a very, very hard look at the strategic basing of the KC-46s. Which I think, when you're up there, you'll see how much sense that makes.

Can I get your commitment as well to take a hard look at Alaska following what the NDAA put in last year on the basing of the KC-46s?

WILSON: Senator, I will take a hard look and I'll take a look at those criteria in NDAA. SULLIVAN: And then there's been a lot of talk -- actually number of us sat in on a readiness hearing subcommittee in the armed services just yesterday with a number of the top generals in the Air Force testifying on the issue readiness.

On the issue of -- of base -- on the issue of ranges. When you're up in Alaska, I'd like to get your commitment to take a look at JPARC. And, again, on kind of -- some of the upgrades that -- the in the testimony yesterday it was -- it was widely acknowledged that, given the size of that training area, it's what we're going to need with fifth-generation training. Because the standoff of the fifth generation aircraft are so dramatic.

Can I get your commitment to take a look at that as well?

WILSON: Senator, I'd look forward to that and -- when I get up to Alaska.

SULLIVAN: Great.

Let me ask about the F-35. You know, there was a lot of discussion in the press, President Trump took a lot of interest in it. I think he's actually -- from what I can tell just reading in papers, I think done a good job of helping drive down the costs. But, you know, at one point there was a discussion; well, heck, maybe we can just replace the F-35 with a souped-up F-18.

Can you enlighten us on whether you think forgoing a fifth-gen upgrade to our Air Force and Navy and Marine Corps -- would it make sense to just rely on a souped-up F-18? How important is that aircraft to the future the Air Force?

WILSON: Senator, the secretary of Defense is directed to review of the F-35 and that is underway. But as a general matter, the -- the real thing I don't think you could do with an F-18 or F-15 or F-16 is give it stealth capability retroactively.

SULLIVAN: So from your perspective it -- would we be in a fair fight with our potential adversaries if we souped-up F-18's versus move forward with F-35s? Adversaries who are developing their own fifth-generation aircraft capabilities.

WILSON: Senator, just what I've seen in the public press, the Defense News kinds of things on Chinese capabilities; they are developing stealth capability. And -- and I don't see how we can stop modernizing and expect to win a near peer fight. And I'd rather have that fight be unfair and on our side.

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SULLIVAN: Well, I think with the cost reductions and the increase in the number of aircraft being produced that'll -- that'll also drive down the cost. It's important to try to keep the F-35 deployments that are already laid out by the Air Force to different areas across the globe and across the country on time.

Can I get your commitment to focus on making sure we're trying to get these aircraft out, produced at a cost-effective -- in a cost-effective manner, but also in a manner that gets them fielded in a way that helps the national security of our nation?

WILSON: Senator, there is a review underway. But the -- with respect to -- that General Mattis has directed with respect to the F-35. But I do take your point that it's important to continue to get cost-effective equipment into the field as -- on schedule.

SULLIVAN: Great. Thank you.

Thank you, Mr. Chairman and I'll have additional questions for the record, Dr. Wilson. Thank you.

REED: Thank you, Senator.

On behalf of Senator McCain's, Senator Warren, please.

WARREN: Thank you very much, Mr. Chairman.

I thank you for being here, Dr. Wilson. I'd like to associate myself with comments of the ranking member and the chairman and echo some of their concerns around ethics issues. I'll be submitting some questions for the record on that, but right now I'd like to focus on another issue. And that is, I know that the Air Force wants a lot of new F-35s.

But whether you think we should spend more or less money on the overall military budget, it seems like we're going to need to use and maintain our current aircraft for a long time to come. And that's why I was surprised to hear that the Air Force is considering retiring the F-15 C and D variants. And I was disappointed to learn that this decision is being considered even before a cost and capability analysis is been completed.

So Dr. Wilson, I want to ask; if confirmed, will you deferred this decision until the committee has been provided with an analysis that purchasing new F-16s instead of servicing existing F-15s will provide the same level of capability and actually save taxpayer money?

WILSON: Senator, I -- I saw the article in the paper that you're referring to which I -- it was either testimony here or over in the House. I haven't been fully briefed on -- on that particular program. But I can say that the Air Force, as it should, is always doing out-year and what-if kind of planning.

I will also commit to you to be fully transparent about...

(CROSSTALK)

WARREN: Well, listen again to my question. It's -- I want to know that you're going to defer the decision until the committee has been provided with an analysis that purchasing new F-16s instead of servicing the current F-15s is going to give us the same capability and actually save taxpayer money.

I want make sure we get that analysis before you make that decision. WILSON: Senator, my problem is that I'm not sure that it was a F-16 substitute. So I haven't been briefed on what their actual planning excursion was that they were trying to evaluate and that came out in a hearing here. So I feel a little bit at a loss that I haven't been briefed on what they're looking at for options or life extension versus something else. I don't know what the something else was, which is my problem.

But what I will commit to, is that I will be very transparent with you on what we're doing, whether it affects you or it affects anyone else. And probably even more I -- I think it's important to gather ideas and share analysis as it's being done sometimes -- and as hypotheticals, not just after decisions have been made...

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(CROSSTALK)

WARREN: Well, I -- I appreciate that, Dr. Wilson. But I really do want to bear down on this point...

(CROSSTALK)

WARREN: So let me ask another question. Can you give me a commitment that the Air Force will consult with the Air Guard and specifically with the adjutants general in states with Air Guard F-15 wings before any decisions are made?

WILSON: Yes.

WARREN: Good.

So I'd like you to another topic, if I can, that's very important to me. And that's science. The Air Force has requested \$28 billion for research, development, test and evaluation are RTDE in F.Y. 2017. I am concerned, however, that too much of this funding is going to the development and testing part. The later stages of scientific progress. And not enough to basic research.

As you know, basic research is the science that provides the building blocks of our most important technological developments like stealth and precision weapons and GPS and even the Internet. The Air Force has asked to cut funding for basic research for the third year in a row. That's a more than seven percent decrease in funding for basic research since F.Y. 2015.

I am also concerned that the department is not doing everything it can to keep up with advances in commercial technology. So Dr. Wilson, if you're confirmed to secretary the Air Force, will you prioritize funding for basic and applied research?

WILSON: Yes.

WARREN: Good. And how will you work with the commercial technologies sector and universities so they can help you tackle the Air Force's greatest military challenges?

WILSON: Senator, this is an area where I -- I think you and I have very common interests in not only identifying technologies that have been developed in commercial areas that can be spun on to the military but making it easier for commercial companies and universities to provide those capabilities to -- to the Defense Department and particularly the Air Force.

In the area basic and applied research, you are absolutely right. The things that we invest in today result in -- and sometimes it's very hard to predict which ones or which vectors are going to be the ones that that lead to the breakthrough. And you know it was -- it was at Hanscom Air Force Base in World War II where they develop radar, revolutionized the protection of -- of this country and of -- and of five United Kingdom.

What's the next one? We never -- we have trouble sometimes imagining how basic research can lead to innovation. But if you don't do it will not have innovation and that's why I'm so concerned about it.

WARREN: Good.

Thank you very much, Dr. Wilson, I find your answer very encouraging. Our adversaries are investing heavily in research and development and doing whatever they can to exploit advances in commercial technology for their own interests. I want to see us do the same. I think it is a matter of national security. So thank you very much.

Thank you, Mr. Chairman.

MCCAIN: Well said.

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Senator Ernst -- Colonel Ernst.

ERNST: Thank you Admiral.

(LAUGHTER)

Thank you Dr. Wilson very much and I appreciate your testimony today and the fact that you are willing to take on this very, very great and grave responsibility. And before I begin I would just like to ask you some simple yes or no questions.

Dr. Wilson, number one, do you commit to cutting wasteful spending and making it a priority?

WILSON: Yes.

ERNST: Two, do you commit to working with me to combat and prevent military sexual assault and retaliation in the Air Force?

WILSON: Yes.

ERNST: Three, will you provide me with advance notice should changes to the gender integration policies be considered?

WILSON: Yes. ERNST: And finally getting your previous work with the defense contracting industry, do you connect to upholding an unbiased approach throughout the acquisition process? WILSON: Yes.

ERNST: Thank you for those answers.

Dr. Wilson, when Secretary Mattis was commander of CENTCOM he initiated Combat Dragon II, an innovation experiment designed to rapidly introduce highly lethal low-cost capabilities to the battlefield. As part of this experiment, SOCOM borrowed two moth-balled Vietnam era aircraft from NASA, they outfitted them with advanced commercial ISR systems and precision weapons, which cost less and in many cases provided more capabilities than traditional ISR and strike aircraft combined.

During a three-month deployment the SOCOM unit achieved a 99 percent sortie completion rate and was able to find, fix and finish highly sensitive missions by employing 63 precision guided rockets on 41 different targets. Can you speak to the benefits of a high-low mix of have combat capabilities?

Specifically, how can we leverage the lessons of Combat Dragon to rapidly provide new capabilities to the war fighter without overburdening our American taxpayers?

WILSON: Thank you Senator. I think that's probably a good example.

Although I was aware of some OV-10s that were recently brought back to service, I don't know if those -- if that was a Combat Dragon program, but -- but I -- I do think there are ways to innovate and I've been involved in a few of them myself when I was on the National Security Council staff trying to get some very new capability to the war fighter.

We always have to be sensitive to the fact that sometimes our -- our great ideas in the -- in the world of science and engineering have to be operated by an 18-year-old with minimal training in a very highly stressed situation, so we always have to be sensitive to those things and the total cost of maintaining all of those things.

But -- but I think, particularly the Air Force has always been -- we're supposed to be the innovators, we're this post to be that the can-do fix it, get it there, you know -- duct tape and -- and bailing wire kind of service in a way. And I -- and I think I'm very open to those kinds of experiments.

ERNST: Very good. Do you see other ways that you can use innovation in the Air Force to really protect the

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taxpayers, are there other programs that you think should be looked at?

WILSON: Senator, there are a wide variety of innovation programs. I do think that that thinking about how we engage the scientific and technical community -- because were all short of scientists and engineers. So how do we better engage them on to to try to move us forward, and also to try to be aware of what our adversaries might be doing.

Our entire intelligence system is really -- for instance Pearl Harbor has been set up for indications and warning as to prevent surprise attack. Well in the area of science and technology, preventing surprise attack is detecting what our adversaries might be doing with respect to scientific and technical advancement and what implications that might have for us.

So there development of stealth -- I mean the best examples are, you know, the development of the jet engine in World War II or the V2 rocket or Einstein's letter to the president about the potential for a nuclear weapon. How are we systematically assessing scientific and technical development to prevent surprise at the scientific and technical level, and I think there may be some things that we can do today that were not even possible to do 10 years ago because of the ability to link science -- scientists and engineers who otherwise wouldn't have known each other.

ERNST: No and I appreciate that very much and will continue to look for innovation. Something I heard not long ago, which I think really plays into the Combat Dragon II is a comment that was made, why do we spend our millions and millions or even billions of dollars on aircraft and munitions to destroy a \$10,000 pickup in the middle of -- of the desert.

So I think there are ways that we can refine what we do with innovation and make it very cost-effective as well for our armed services. I want to thank you again for being here today and taking on this challenge. Thank you Dr. Wilson.

Thank you Mr. Chair.

MCCAIN: (OFF MIKE)

HEINRICH: Dr. Wilson, welcome, congratulations on your nomination. Two of the president's nominees for civilian leadership posts in the military services have now dropped out. So I think it's incredibly important that the administration nominates and that the committee considers qualified nominees as quickly as possible, and you certainly have impressive qualifications for this post.

As you know well, New Mexico's men and women in uniform are proud to take the lead in addressing many of the challenges that you would face a Secretary Holloman Air Force Base in New Mexico has already proven to be critically important in addressing the Air Force's shortfall for both RPA and F-16 pilots. As -- as secretary of The Air Force will be responsible for growing and retaining our pilot and our maintainer forces. When selecting an installation for this purposes, can you talk a little bit about what criteria you would most value given the constraints of the Air Force is currently?

WILSON: Senator, there's a -- the strategic pacing initiative for every mission comes up with a set of criteria for that mission and there is at least an interim decision with respect to Holloman and training there. There hasn't been a final decision on the final location but as I -- as I mentioned to the Senator Peters, when those decisions are made we won't put any thumbs on the scale and we'll try to make those straightforward direct decisions in the best interest of the country.

HEINRICH: Can you talk a little bit about some of the -- some of the the particulars of that -- that decision basing system is based on and -- and and what the Air Force is looking for in those cases?

WILSON: Senator, with respect to -- with respect to a particular weapon system I probably could not but I think with every weapon system and with every mission there's a set of things that the Air Force decides are really important to them.

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For example, airspace to be able to conduct training operations or particular kinds of electronic -- electronic practice areas, those kinds of things. And for every mission, it's probably slightly different...

HEINRICH: Right.

WILSON: ... and then they just rank -- rank those in order.

HEINRICH: In -- I was looking at your prolonged preliminary hearing questions and you said that you strongly support rapid prototyping, experimentation and using rapid acquisition authorities to provide new capabilities to the war fighter.

Last year the Senate Armed Services Committee granted rapid -- rapid acquisition authorities for directed energy weapon systems. As secretary would you look to use those authorities for directed energy and would you support transitioning the systems to the war fighter more quickly?

WILSON: Senator, I do support transitioning systems very quickly to the war fighter with respect to an acquisition strategy for a particular procurement, I'd look for advice from the acquisition community before I make any particular decision.

HEINRICH: In -- in light of the current administration hiring freeze, one of the things that concerned about is the -- the military's ability to meet mission requirements under those pressures, and military leaders have explained that by not hiring civilians more pressure shifted onto military workers to finish those jobs, and in some cases they are now being asked to do additional duty as result.

At the Air Force Research Labs in Albuquerque there are a significant number of vacancies for civilian positions that actually carry out critical missions for the military. Can you talk generally a little bit about how important you believe civilians are to the overall mission of the Air Force and what steps you might take or what things you would look to, as secretary, to be able to fill those vacancies and ensure that the mission requirements are being met?

WILSON: Senator, we do have a -- the hiring freeze in place there are exemptions -- work through position by position. It is my understanding that the Air Force is operating under that at this point. Almost half of the people that serve in the United States Air Force are civilians, many of them were prior military but many were not. And they make significant contributions to the mission there part of the team and I treat them as part of the team.

I would say with respect to the pressure on the force, the worst thing we could have happened right now is to have a continuing resolution for the last five months of the year that would probably result in a complete hiring freeze, with no exemptions and will exacerbate the pilot shortage, will not be, -- we'll have to stop, likely, we -- you know, if confirmed, we would have to stop a lot of the new starts that we got going and -- and will dig the hole deeper.

So with respect to civilian employment, I think that is in the biggest issue before us all.

HEINRICH: Thank you Chairman.

MCCAIN: (OFF MIKE)

PERDUE: Thank you Chairman.

Dr. Wilson thank you for your stellar career and your willingness to take this on. I have two quick questions for you today. I grew up in Warner Robins, Robins Air Force Base and I'm very proud that -- that base has morphed over time from being a SAC base, MAC base and today is a major depot for the U.S. Air Force. But at a time when we have the smallest and oldest Air Force, I'm very concerned.

General Levy is in charge of the Air Force supply chain. Great general -- lieutenant general, and has a stellar career of his own, but he's been educating me about the difficulties of bringing -- you know, half -- half the

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employment of the Air Force are civilians, as you just mentioned. And it takes 148 days, according to General Levy because of Air Force rules, to onboard a new employee.

And in a time when we're competing with cyber talent, mechanics, engineers, scientists, programmers and so forth, as we talk privately. I'm very concerned that we're not competitive in trying to reach out and in and retain and attract the best and the brightest for the airport -- Air Force and the civilian jobs. So can you address how you would prioritize that if you're a confirm?

WILSON: Senator, there are a lot of rules and regulations that sometimes, you know, they're trying to prevent us from doing bad things, but they keep us from doing good things and I think we need -- obviously there are rules and regulations that are there for a reason. We all want to drive on the right side of the road in the morning and have everybody else do the same thing, but sometimes, and you've just identified one, if it's that hard to hire someone talents can be get be taken out from under you.

And so -- so I'd be happy to take a look at those kinds of things. And if they're particular priority regulations that -- that others have identified that need to be looked at, I'm very open to what those should be.

PERDUE: Well, personally, given that, you know, as one example, two-thirds of our F-18s are not airworthy today. This is a hand -- all hands on deck issue, would you pledge to work with the committee and bring us those ideas to break through those regulations that we can help with to -- to make -- to become more competitive?

WILSON: Senator I would and I'd ask you to do so and help me.

PERDUE: Absolutely you have it.

The second thing, I want to talk about something we don't talk much about here and that's space, vice chief of the Air Force, General Wilson provided written testimony recently, in one of our last subcommittee hearings, on readiness that quote, in the not-too-distant future our potential adversaries will have the capability to hold all of our military space capabilities at risk.

Dr. Wilson those are -- those are strong words. Do you agree with those words and how would you propose to make changes in the national security space policy and programs if you're confirmed?

WILSON: Senator, one of the things I'm most looking forward to about this job is being the, potentially, the senior advisor to the Secretary of Defense with respect to space and chairing the Defense Space Council. There is no question that space will be a contested domain in any future conflict, and I was actually serving on the House Intelligence Committee at the time the Chinese successfully launched an anti-satellite weapon and I don't expect that things have slowed down since then.

There are variety things I think we need to do. There -- there are launch issues we're going to have to deal with, but I think rethinking the way in which we think about space as a contested domain has to be part of -- it's the development of strategies and techniques, and capabilities to be able to fight through to be resilient to be as crafty and is successful in space as we are air.

And I think that's a very big change for the country to be -- to be starting to think that way. I think there's some elements the Air Force that already are starting to develop those -- those thoughts. I look forward to working with them. And of course our national partners, and partners in other agencies.

PERDUE: Thank you.

The last question I have is at the very time that you're considering this responsibility and we're considering your confirmation, it looks to me like all the major platforms of the Air Force are maturing to the end of their expected lives and beyond at -- at the same time. And at the very time that their expiring the ramp-up of new programs to replace them, through delays regulations in and whatever, funding -- we're building a gap, and is a significant gap.

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PERDUE: The B-21, KC-46, the F-35, the JSTAR platform, all of these have projected gaps in capability between the time that the existing platform rolls out and expires and the new platforms are available.

Have you had a chance to look at that yet and would you promise (ph) us to help educators about that growing gap in the Air Force?

WILSON: Senator one of --when we talk about what is the risk of the Air Force talks about what's the risk of things like the Budget Control Act that's a very good example of one.

PERDUE: But it's bigger than -- I'm sorry Dr. Wilson, it's actually bigger than that.

It's -- it's -- it's -- this is a multiyear issue, it has to do with our debt position. The fact that we will not face up to our irresponsibility as congress and how we spend money, and we're not fulfilling one of the major responsibilities we have as a unified government and that's to defend the country.

So I -- I -- I welcome your input and I -- I pledge to you our support. I'm out of time but I would love to work with you to -- to make sure we fill that gap that's very concerning.

WILSON: Yes sir.

PERDUE: And I fully expect your confirmation. And thank you again for being willing to do this.

WILSON: Thank you.

MCCAIN: (OFF-MIKE)

DONNELLY: Thank you, Mr. Chairman.

And thank you, Dr. Wilson. I wanted to task you about a discussion we had in my office. Your predecessor made a commitment to continue the heritage of the 122nd Fighter Wing in Fort Wayne, Indiana by maintaining a manned combat mission there at the base, replacing the A-10s with either F-16s or F-35s.

Will you honor that commitment that has been made to us?

WILSON: Senator, I'm not familiar with the particular commitment that's been made we (ph)... (CROSSTALK)

DONNELLY: I -- I asked you this a month ago.

WILSON: Senator, I can't commit to a future mission today, in part because I'm not privy to a lot of the internal discussions in the Air Force. Because I can't be because I'm before my confirmation.

So I -- there's a lot of -- there's a lot of things -- the Air Force can provide me all of the things that have been publicly available, but not anything behind it. And so I'm -- I'm still kind outside of the door in that way.

DONNELLY: I know you (ph) -- you referred to the strategic basing process, but I'm -- I'm not talking about making a new basing decision. This one has already been made and all I'm asking you to do is to honor the commitment of the person who went before you.

WILSON: Senator, I will tell you this; if a commitment has been made we'll stand by it.

DONNELLY: Thank you.

WILSON: I need to understand what the commitment was a little bit more before I feel comfortable. And I can't know that until I walk in the door of the office.

DONNELLY: Well, let me ask you about mental health as well. I appreciate your commitment to prioritizing that. It's a readiness issue, it's meant -- a (ph) matter of maintaining the strength for (ph) our force. And in 2014, this committee passed legislation providing a mental health assessment for every service member

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every year. It was named after a constituent concision of mine, Jacob Sexson, who was lost to suicide in 2009.

Each of the service chiefs have testified to this committee that the mental health assessments required under this act will be fully implemented by the end of this year. If confirmed, will you ensure the Air Force keeps to that schedule?

WILSON: Yes.

DONNELLY: Thank you. In regards to our nuclear arsenal, we're undertaking a tremendous and necessary effort to modernize our nuclear deterrent. We put it off for long time -- excuse me, and as a result we have a heavy bill coming due. But we're going to need to implement acquisition practices across the board to succeed. And it means doing a better job of promoting collaboration and commonality.

So what I am also asking is own will you be committed to commonality as a means to modernize and maintain the triad and reduce the cost of risk? The Navy has a lot of the parts of this, the Air Force has a lot of parts of this. We want to try to work together so we're not in separate the stovepipes here, so we're not reinventing the wheel every time we start a new system. WILSON: Senator, yes. There are some -- there some times where that is appropriate. There are (ph) some times were it's actually more costly to force systems to use common parts. But where it makes sense obviously, you bet.

DONNELLY: All right. Thank you.

Thank you, Mr. Chairman.

MCCAIN: (OFF-MIKE)

COTTON ?: Thank you.

Dr. Wilson, congratulations on your nomination. You (ph) have a big job with a lot of big challenges ahead of you. Some of those we explored yesterday in a subcommittee on air-land-power hearing with some of the deputy chief in the White House -- or from the Air Force.

One in particular was the pilot shortage. We heard testimony yesterday that saying the pilot shortage was up to 1,550 pilots as of yesterday. I think there seems to be a mismatch between force structure and strategy. If we continue down this road, are you worried about creating a hollow force for our Air Force?

WILSON: Senator, yes I am.

COTTON: The Air Force has provided pilots with bonuses, those bonuses are increasing, we heard testimony yesterday, the Air Force anticipates seeking even higher bonus but, as you stated earlier, the retention crisis is about more than just money.

Both General Goldfein and your predecessor committed to reducing unpopular additional duties in squadrons, jobs that take pilots away from their core mission.

For example, this committee has heard private comments from one frustrated young F-18 (ph) pilot who said, quote, I'd give up my flight pay if it meant getting a full squadron scheduler.

Do you share this commitment to reduce this burden of additional duties for our pilots and their squadron?

WILSON: Yes.

COTTON: What are your thoughts on the best ways to continue to bring down those burdens on our pilots?

WILSON: Senator there are a couple of things, I think -- again this gets down to squadron leadership but it's also -- every time something happens there's another, well we got to train everybody or there's another

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computer based training program that everybody has to sit through and, you know, push the yes, no and next buttons.

And I think taking a complete review of -- from -- from -- from the perspective of an airman of what is the extra stuff you're being asked to do? Now some of it is entirely appropriate. If you're asked to be the squadron training officer, you should be the squadron training officer. But there's a lot of other stuff that gets added on that's really dispiriting and I think we need to take a look, from their perspective, on whether everyone of those things really is needed

Do we -- do we really need to do ladder safety training again this year?

COTTON: With those steps and with the additional civilians that have been added to squadrons, do you think the Air Force will have the remaining combat -- combat coded (ph) squadrons fully manned by the end of the fiscal year?

WILSON: Senator that's -- I don't -- I don't know the answer to that but I think it's probably -- I don't know the answer to that.

COTTON: Okay. I'd like to turn my attention now to nuclear modernization. You spoke earlier about this with Senator Inhofe on the B-21, learning some of the lessons about B-2 and the F-35 program.

But I'd like to ask about the -- the stated goal of the program to acquire 100 aircraft. Do you believe that 100 aircraft are sufficient for our national security strategy in the future given the faces -- the challenges we're going to face from growing A2AD air defense systems in places like Russia, China, Iran, North Korea?

WILSON: Senator, we certainly need to be able to penetrate to -- to hold targets at risk. I understand that there was a -- a -- the next piece of the national military strategy at the classified level was finished in late last year, I have not yet seen that. And I -- and I believe threat drives strategy, strategy drives force posture.

And so -- so really the force posture is dependent on that strategy which I have not yet been fully briefed on.

COTTON: Okay. Thank you. You spoke with Senator Fischer about nuclear modernization, specifically about the B-21, about nuclear command and control and about the ground based strategic deterrent.

I don't think you all touched on the long range standoff cruise missile, what are your thoughts on that missile?

WILSON: Senator, the -- the Air Force has it in its plan and I -- we need modernization across the board with respect to the nuclear deterrent.

COTTON: So you support the --the LRSO program?

WILSON: Yes, sir, I do.

COTTON: Now I would like to ascend from nuclear modernization to modernization as a whole in budget. The Air Force has a lot of bills coming due. Not only nuclear modernization but the F-35 and the B-21 and KC-46 and the JSTARS and the Presidential Aircraft Replacement Program, among other things. Have you received indications from the senior leadership COTTON: in the Department of Defense, the Office of Management and Budget and the White House that their budget request will fully support the Air Force's modernization needs over the coming years?

WILSON: Senator, as I understand it, there is a top line for FY18 and that (ph) the Air Force and the other services are working through what is -- that what is the structure under the FY18 number. I -- and I think we all know we're not going to get out of this in a single year.

Male: Are you confident we will in the coming five years' defense program?

WILSON: Senator, I am here to try to do that.

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Male: Well (ph), we will be here to try to help you and (ph) our Air Force do that as well. Thank you, Dr. Wilson. Congratulations again.

WILSON: Thank you.

MCCAIN: (OFF-MIKE)

GILIBRAND: Thank you, Mr. Chairman.

Thank you, Dr. Wilson, for being here and your commitment to public service. We are all very grateful.

One of the good fortunes we have in New York is our talented work force and (ph) the Air Force research lab in Rome is a perfect example of an installation that has benefited from the state's ability to attract and concentrate high skilled workers.

Past Air Force leaders have visited Rome and have been very impressed by the amazing work happening at the lab and leadership on cyber and (ph) the Air Force and beyond. I would love to have you visit Rome and see this critical work firsthand.

Would you come to the (ph) Rome labs?

WILSON: Senator, I -- as I -- as I mentioned with respect to Alaskan and others, I do like to get out of the office and up and out and be where people are. I find that I learn a lot more that way. And particularly in the area of research and development, which is a focus for me.

So yes, I would. I -- all of this will depend on timing and scheduling...

GILIBRAND: Of course.

WILSON: I (ph) -- but I do want to come.

GILIBRAND: It's just really impressive and very inspiring. And I think if you get to see what they're doing you'll have more of an interest in supporting their work. So I'd -- I'd like to extend that invitation.

The second issue I'm interested in is the issue of PFCs (ph). The Air Force, including Air National Guard, is dealing with contamination of water supplies across the country as a result of porfloronate (ph) -- porflorocain (ph) -- perfluorooctane sulfonates, PFOS, expelled by firefighting units on these bases.

There are two known sites in at the 106th on Long Island, which was quickly identified and immediately cleaned up. And one at the 105th in Newburgh which has move much slower. My staff have been in constant contact with the National Guard in this matter. And I know it's not in (ph) New York -- it's not unique to New York.

Do I have your commitment to address this crisis head-on and work with communities in New York and across the country to ensure all contamination is remediated (ph) in a timely manner so our citizens can have access to clean drinking water?

WILSON: Yes.

GILIBRAND: Thank you. My last issue is about LGBTQ issues. As secretary of the Air Force will you be -- you will be responsible for running the Air Force enterprise including dealing with issues related LGBT airmen and civilians. And I'm concerned by some of the things that you've said in the past past about the rights and protections for LGBT citizens.

Specifically, in 2012 you stated that you "tolerate", quote, but do not "approve of", quote, LGBT individuals. Do you still stand by that statement?

WILSON: Senator, it is not my intention to change any of the policies currently in place with respect to sexual

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orientation. And I think the appropriate thing to do, as I do as a university president to treat everyone with dignity and respect.

GILIBRAND: Well (ph) I appreciate that you make a commitment to treat everyone with dignity and respect, I think that's really important in a position of leadership and very important as a public servant. Because you must value all the men and women who serve underneath you regardless of the sexual orientation.

WILSON: Yes.

GILIBRAND: Thank you.

Thank you, Mr. Chairman.

MCCAIN: (OFF-MIKE)

STRANGE: Thank you, Mr. Chairman.

And welcome, Doctor (inaudible), here today. I appreciate your willingness to serve and I have a high degree of confidence that you will do very well in this position. I especially enjoyed our conversation in (ph) your background is a graduate of the Academy and a female in the Air Force. As I mentioned, my aunt was one of the pioneering women aviators in World War II. And so I know I know she'd be proud to see you in this position, leading the Air Force.

I -- we covered a lot of ground when we talked and I appreciated your answers, I want to just point out again the importance of Dannelly Field Guard Station in Alabama, one of the installations I'm very proud of in our state, it's one of the five being considered, as you know, for the F-35 -- the -- that process is ongoing. I just want to confirm that you're comfortable with the process and the timing for the selection of the -- one of the two -- or the two facilities that will ultimately be the destination for that program?

WILSON: Senator I know that that's underway as -- as I mentioned I don't have a very deep insight into what the trade offs are but I'm sure I will be briefed on that if confirmed.

STRANGE: Great. Well that's a very high priority for me I'm proud of the service men and women that are there and it's an excellent facility and look forward to working with you in that process.

And, Mr. Chairman, that's really the only question I had and wanted to dwell on, I'll yield back my time.

MCCAIN: (OFF MIKE)

BLUMENTHAL: Thanks Mr. Chairman and thank you for your service Dr. Wilson and for being here today.

I want to follow up on a couple questions that Senator Reed asked and I know that, with respect to most policy questions, you've said you need to be briefed, you need to learn more, you need to be better acquainted with policies and programs ongoing at the Air Force.

So there'll be a time I'm sure where we'll want to go into greater depth on those issues if you're confirmed.

But on the issue of the contract that Senator Reed cited, my understand is that you were cited by the Department of Energy Inspector General for lacking sufficient detail in your own invoices. One of them I'd like to place in the record, if there's no objection.

Thank you. And the IG investigators noted that I think you attended a single meeting on at least two separate occasions and billed two individually owned labs for the exact same time and service because of the lack of detail in the invoices you submitted it was difficult to discern what service you provided to whom and when.

The document that I just placed in the record is an invoice which I could show to you to read but there's nothing to read on because it's virtually blank except for your name the invoice number and -- and an item

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that says consulting services.

So, just as a matter of procedure and accountability, because this is a profoundly important issue for defense procurement -- shouldn't there be better oversight of contractor billing and documentation and this isn't a bad example, leadership is by example -- the best leadership is by good example, of how billing and invoice submission should be conducted?

WILSON: Senator, in each of the months in which I worked for the National Laboratories I did more than 50 hours a month of work in close consultation with the people at the laboratories. I was working for them quarter time.

I did the work, I complied with the contract, a contract negotiated and signed by the laboratories. The review found actually no fault with me and the DOE auditors never even bothered -- excuse me -- never even bothered to talk to me.

If they had, at the time, I probably would have been able to reconstruct what I did that month.

BLUMENTHAL: Well, assuming all of that is true, why not invoice it?

WILSON: Senator, the laboratories never asked for that and...

BLUMENTHAL: Well I'm asking you as a potential Secretary of the Air Force whether you will hold contractors than is indicated by this document -- it's a forward looking question, I'm not asking you to reconstruct, in your testimony now what you did but shouldn't we expect more from contractors than this kind of blank invoice?

WILSON: Senator, I think we should expect contractors to comply with the contracts which they sign with the government. And I -- and in this case I did. I think the...

BLUMENTHAL: Well, you know, the answer to my question is really a simple yes, that's the right answer, don't you think? Because, regardless of what you did, in the future, looking forward, my hope is that we improve contracting involving the United States government and the United States taxpayer money by imposing a higher standard than is indicated or reflected by this invoice.

And there is no way of knowing, from this invoice, even vaguely what you did.

WILSON: Senator, the people that I worked with were supervising and knew what I did and that I was doing the work that they were satisfied enough with to offer me a full time position as the vice president of the laboratory.

I did the work. They were happy with the work. I comply with the contract and I will expect anyone who has a contract with the United States Air Force to comply with the contract as well.

BLUMENTHAL: Did it occur to you that maybe the United States of America deserved a fuller accounting of your services than this blank slate?

WILSON: Senator, the United States deserved my best work and that's what they got. BLUMENTHAL: Well they may have gotten your best work but I hope, if you are confirm, that you will hold contractors, providing services to the United States of America to a higher standard than this blank sheet of paper which is not the only invoice that is as vague as this one and it's in the record so it will speak for itself.

Thank you Mr. Chairman.

MCCAIN: (OFF MIKE)

SHAHEEN: Thank you Mr. Chairman and Dr. Wilson I want to congratulate you on your nomination and I certainly appreciate your willingness to serve at this difficult and complex time.

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I also want to point out that you're a native of Keene, New Hampshire and we are very proud of you in the state.

I don't know if you saw earlier but we had about 40 members of the New Hampshire Army and Air National Guard who were here for the early part of this hearing and they're hear for their professional development today and it's a -- it's a recognition of the effort that you're taking on.

I want to start with a program that we are very concerned about in New Hampshire and that's the KC-46A. We have learned recently that the -- the delivery of the first aircraft to McConnell and Altus Air Force Bases is likely to miss the target date of 2017.

We're concerned about it because Pease is one of those first bases that's supposed to get the new KC-46A and I understand it's going to be delayed another six months to the end of 2018.

And there's a recent GAO report that identified Boeing, the manufacturer of the KC-46A and explain that it's struggled to meet schedule milestones throughout the duration of the program and that it's at least a year behind on most measures.

So I wonder if you could talk about how, if confirmed, you would work to maintain the delivery schedule of aircraft and prevent further delays? Because, as we know, this is not the only delay that we're seeing -- I'm -- I'm not even going to get into the F-35 though we discussed it when you were in my office but -- can you tell us how you might approach this problem?

WILSON: Senator, I think you -- there's a number of things, you have to set realistic schedules up front then you have to have very good program managers who are authorized and often very -- I -- small and focused program management offices of exceptional professionals to manage these programs.

And -- and -- and then of course there's a -- you hold people accountable for results. Sometimes people set out to schedules and timelines that are too ambitious up front.

But I -- I think getting those realistic upfront and then, finally, making sure that requirements don't change in the process. Fix those requirements and build the -- the system.

As a university president, the worst thing you can do is start changing the design after you started construction of the laboratory or the building. You have to fix it up front and then come in and build to it, build to print and get it on a tight timeline, I think the same is true for most major weapons systems.

SHAHEEN: And should we be looking at -- it's my understanding that for a lot of these over -- over sight positions that people are in that they're only in those positions several years and then they're moved on. What kind of a challenge does that present as we look at long term project that we're doing in terms of new aircraft?

WILSON: Senator, you're right there is turnover in that field and developing the capability in the acquisition field has been an issue in the past, it may well be an issue today. But one of the -- one of the other things is -- is procuring things on a tight time frame. And there is, you know, -- I think the -- the A-10 was procured in a very tight time frame. The F- 16 was certainly tighter than some of -- the some of the other aircraft that we've (ph) built.

And -- and getting someone is a program manager and saying, "All right you're be in this assignment for four years and here's what we expect you to accomplish. We don't expect miracles. We don't want a 15 year program. We want tight turns and then we will -- we will iterate and innovate after that."

I think that's a -- generally been more effective at getting capability out the service in a cost-effective way.

SHAHEEN: Thank you. We had an interesting hearing yesterday in emergency -- Emerging Threats Subcommittee and one of the presenters talked about the new challenges of the hybrid warfare/cyber warfare that we're facing.

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And that we're not doing enough within our military to develop ways to address that. That we're very focused on conventional warfare, and that we're not focused enough on the unconventional warfare which is much of what we're facing today. And so I appreciate that we're still going to need to the role of the Air Force. But what should the Air Force be looking at as you all are thinking that this unconventional warfare challenge that we're all facing?

WILSON: Yes. Senator, there's -- there's -- when people say unconventional warfare sometimes they really mean guerrilla warfare. But I think you're talking about cyber and some technology (ph)...

(CROSSTALK)

SHAHEEN: Well, I'm actually talking on a combination. I'm talking about cyber, I'm talking about the kind of efforts that we sign Ukraine and Georgia, to some extent. I'm -- I'm talking about what we're seeing with Russia.

WILSON: Yes. SHAHEEN: So what else should we be thinking about?

WILSON: Well, Senator, we need to be thinking about the full range of potential conflicts, all the way from -- from low intensity warfare, through a near peer adversary and nuclear deterrence. I think there are new techniques, and cyber is one of them, that can be used both by nation-states and by -- and -- and by terrorists or insurgents to achieve their political objectives.

But we need to be able to play both offense and defense in all of those realms. SHAHEEN: Well I'm glad to hear that, because right now I think we don't have a strategy and we are playing defense and when I'm playing much offense. So, thank you. I look forward to working with you.

WILSON: Thank you

MCCAIN: Dr. Wilson, I just want to mention to you that one of the enduring frustrations source of anger and discontent in this committee and amongst the American taxpayers is cost overruns and the way we do business, acquire weapon system. I was just looking at 2001, where there was a proposal for an F-35 that was going to cost \$233 billion in working to build 2,800. They costed \$391 billion and about 400 less. First trillion dollar weapon system in history, \$400,000 for a helmet -- stuff you can't make up.

So we've tried to make some changes and have in (ph) the acquisition system here in the armed services committee, but I have to tell you we haven't gotten a lot of cooperation from the Department of Defense. We make changes such as separating AT&L into two different divisions, we get nothing but resistance.

So I agree with all the comments that you have made and that of my colleagues about the dire situation we find ourselves in and the absolute necessity of avoiding a continuing resolution. But when you have scandals like this, \$233 billion to \$239 billion cost of a weapon system, then it's hard for us to make a case for more funds to defend the nation.

So there's a lot of challenges that we face, but I find myself continuously frustrated by the cost overruns, whether it be a \$3 billion cost overrun on the Gerald R. Ford, or whether it be now we're having cost overruns associated with the tanker. It goes on and on and it's got to stop. And we are pretty well aware that we can do a lot but we can't do everything unless we have a cooperative environment over where you work and -- or will be working, so I hope that if not the highest -- next to highest priority that you have is to address this broken acquisition system.

And frankly, I grow tired of fighting with the Pentagon. I get tired of seeing the scandals and -- and calling people to account. But the fact is, in reality back on the F-35, to my knowledge, not a single person is been held accountable for a \$160 billion cost overrun. Not a single person that I know. Certainly not the manufacturer who comes before this committee and tells us what a great job they're doing. So there's either got to be accountability and truth in contracting and that the American taxpayers get their investment, or we are going to face further crises, such as we're facing now. One of the reasons why we have not got enough money is because we've wasted it. We've wasted so much so, many billions of dollars time after time after

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time.

so my strong recommendation to you is that we start firing some people, we start penalizing contractors we break up this iron triangle of the military-industrial, congressional complex and I hope that you will devote some energy in that direction. Senator Reed?

REED: Well, Mr. Chairman, I want to thank you for holding the hearing, I want to thank Dr. Wilson for her testimony today, and I presume there will be additional questions for the record. And thank you Dr. Wilson. Thank you, Mr. Chairman.

END

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