

same. However, the committee believes that by failing to take actions to modernize the C-130H fleet in the very near term with C-130 AMP and propulsion systems upgrades, recapitalization costs, mitigation of obsolescence and diminishing manufacturing sources costs, or operating and sustainment costs will become so cost prohibitive in the future that the only course of action available to the Secretary will result in the divestiture of the C-130H aircraft from the Air Force inventory. Knowing that the majority of the C-130H fleet resides within the Reserve Components of the Air Force and that the C-130H should remain reliable, capable, and relevant to meeting current and future warfighter needs, the committee is concerned with the approach that the Secretary has taken with regard to the lack of robust modernization and upgrade of C-130H aircraft, if the aircraft is to have a service-life through 2040 as currently planned. Furthermore, C-130 AMP is estimated to reduce total ownership costs of the C-130H fleet by over 25 percent as compared to not modernizing the aircraft. The committee believes that if the Secretary is willing to expend at least \$3.2 billion for two new presidential aircraft to achieve a benefit of a modernized and digital cockpit for the aircrew to execute an important mission in a benign flight environment, the Secretary should apply similar logic by spending significantly less than \$3.2 billion for 179 C-130H aircraft that would provide a modernized and digital cockpit for C-130 aircrews that are required to tactically employ in more strenuous and dangerous flight conditions.

Elsewhere in this Act, the committee includes a provision that would preserve the \$1.5 billion taxpayer investment in the C-130 AMP program and would prohibit the Secretary from canceling the C-130 AMP program. Further, the committee directs the Secretary of the Air Force to notify the congressional defense committees at any time the combat-coded fleet of C-130H and C-130J aircraft decreases below the 300 combat-coded aircraft prescribed in the 2014 Quadrennial Defense Review. Finally, the committee directs the Under Secretary of Defense (Comptroller) and the Secretary of the Air Force to immediately obligate authorized appropriations provided in fiscal year 2013 and fiscal year 2014 to continue C-130 AMP.

Therefore, the committee recommends \$109.7 million, an increase of \$73.8 million, for C-130H propulsion system propeller and engine control upgrades, continued acquisition and installation of C-130 AMP kits, and no funding to begin an alternative communications, navigation, surveillance and air traffic management (CNS/ATM) system program.

High-altitude intelligence, surveillance, and reconnaissance

Over the past 2 years, the committee has supported the Global Hawk Block 30 high-altitude unmanned aerial system and supports the current Department of the Air Force plan to retain the Global Hawk Block 30 for the high-altitude intelligence, surveillance, and reconnaissance (ISR) mission. The committee notes that the Department of the Air Force has determined that Global Hawk operating costs have decreased while the Global Hawk Block 30 fleet has flown an increased

number of hours compared to previous years in support of the combatant commanders.

While the committee was pleased that the Air Force requested funding for Global Hawk Block 30 in the budget request for fiscal year 2015, the committee is concerned with the Department of the Air Force's plan to retire the U-2 fleet in fiscal year 2016. While the committee realizes that the Department can never fully meet the ISR demand of combatant commanders, reasonable and necessary ISR requests appear very likely to go unfilled if the current high-altitude airborne ISR collection capabilities of the U-2 are terminated. The committee notes that section 143 of the National Defense Authorization Act for Fiscal Year 2014 (Public Law 113-66) required the Secretary of Defense, in coordination with the Chairman of the Joint Chiefs of Staff, to submit a report on all high-altitude ISR systems. The committee has not yet received this report and believes that any action to retire, or prepare to retire U-2 aircraft would be premature prior to the committee's review of the report. To ensure that no actions are taken to retire or prepare to retire the U-2 aircraft in fiscal year 2015, elsewhere in this Act, the committee includes a provision that would prohibit the obligation or expenditure of funds authorized to be appropriated by this Act or otherwise made available for fiscal year 2015 to make significant changes to retire, prepare to retire, or place U-2 aircraft in storage.

The committee also notes that section 133 of the National Defense Authorization Act for Fiscal Year 2012 (Public Law 112-81) limits the retirement of U-2 aircraft until equal or greater ISR capability is available to commanders of the combatant commands, and believes that the Department of the Air Force plan to retire the entire fleet of U-2s in fiscal year 2016 is inconsistent with this provision.

The committee supports the Department of the Air Force efforts to upgrade the Global Hawk Block 30 aircraft to meet the requirements of the combatant commanders, but notes that this will take several years beyond the planned retirement of the U-2. In light of the known gaps, the committee has concerns with any plan that will leave the combatant commanders with less overall capacity and capability than they have today.

Therefore, the committee directs the Secretary of the Air Force, in coordination with the Chairman of the Joint Chiefs of Staff, to provide a report to the congressional defense committees and the congressional intelligence committees by February 16, 2015, that would establish a phased high-altitude airborne ISR transition plan which fields capability at the same time or before the U-2 aircraft retirement, and which would result in equal or greater capability available to the commanders of the combatant commands. This plan should include the costs, schedule, and identification of fielded high-altitude ISR capability and capacity. If retirement of the U-2 would result in decreased capability or capacity for high-altitude reconnaissance, the report should also include the Department of the Air Force plans to mitigate the effects of the decreased capability or capacity.

KC-10 Aerial Refueling Aircraft Force Structure

The committee notes that the President's request for the Future Years Defense Program 2016-19 did not take into account Budget Control Act of 2011 (Public Law 112-25) sequestration level Department of Defense spending limitations.

The committee understands that if the spending limitations in Public Law 112-25 are imposed on the Department of the Air Force beyond fiscal year 2015, then additional reductions in critical capabilities and aircraft force structure will likely be necessary in order for the Department of the Air Force to comply with its share of spending authority. The committee understands from briefings and discussions with Air Force officials that the KC-10 Stratotanker aircraft could succumb to sequestration impacts. The committee is concerned that a divestment of a high-demand, low-density aircraft such as the KC-10 could have detrimental impacts for the Department of Defense in meeting its global reach and global power objectives, as it relates to supporting the 2012 Defense Strategic Guidance. The committee also notes that the Commander, U.S. Transportation Command (CUSTC) has validated that the requirement for aerial refueling aircraft capability is 567 aircraft. The Department of the Air Force currently has only 454 aerial refueling aircraft, resulting in a deficit of 113 aircraft short of the CUSTC requirement. The Air Force is not projected to have 567 aerial refueling tankers in its inventory, assuming that no KC-10 or KC-135 are divested, prior to delivery of the 112th KC-46 tanker aircraft in the next decade.

Therefore, elsewhere in this title, the committee includes a provision that would prohibit the Secretary of the Air Force from using any funds or taking any action during fiscal year 2015 to divest or transfer, or prepare to divest or transfer, any KC-10 aerial refueling aircraft of the Air Force. In addition, if the President's request for fiscal year 2016 proposes to divest the KC-10 aerial refueling aircraft from the Department of the Air Force, the committee directs the Commander, U.S. Transportation Command, in coordination with the Chairman of the Joint Chiefs of Staff, to submit to the congressional defense committees at the time of the fiscal year 2016 budget submission, an operational risk assessment and mitigation strategy that evaluates the military's ability to meet the requirements and objectives stipulated in the Department's Guidance for Employment of the Force, the Joint Strategic Capabilities Plan, and all geographical combatant commander steady-state rotational and warfighting surge contingency operational planning documents.

PROCUREMENT, DEFENSE-WIDE

Items of Special Interest

Iron Dome short-range rocket defense system and U.S.-based coproduction

The budget request contained \$176.0 million in PE 28866C for the Iron Dome short-range rocket defense system.