

Chairman John Boozman Opening Statement
Committee on Appropriations Subcommittee on Military Construction, Veterans Affairs,
and Related Agencies

Hearing to Review the FY2019 Budget Request for Military Construction and Family Housing

April 26, 2018

(As prepared for delivery)

The Subcommittee will come to order. We meet today to discuss the President's FY2019 budget request for military construction, family housing and Base Realignment and Closure for the Department of Defense. The FY2019 budget request of \$10.5 billion reflects a slight increase over the FY2018 enacted level of \$10.1 billion.

MILCON delivers facility investments that contribute to current and future Force readiness, whether they support the next generation of weapons systems, provide support to the Combatant Commanders or strengthen partnerships with our Allies. Facility investments improve the quality of life for our Soldiers, Airmen, Sailors and Marines not only with mission critical facilities, but with improvements in family housing, schools, health care and a variety of support facilities.

While the FY2019 MILCON request is an improvement over the historically low requests from prior years, this request remains relatively flat compared to FY2018. The MILCON portfolio has been taking on increasing levels of risk for years, as limited resources have been put towards higher priority readiness issues. Critical recapitalization projects have been displaced as an already constrained budget is squeezed even further to accommodate new platforms and weapon systems.

Compounded with the long list of deferred recapitalization, the increased complexity of facilities needed to support today's weapons systems are putting further strain on the budget. Buildings today are more complex in design and function than traditional construction projects, resulting in higher cost and critical construction schedules as new platforms and weapons systems are interdependent with their new facilities. There are more projects that exceed \$100 million in the FY2019 budget than the past four budget requests combined. As costs of construction projects continue to rise, affordability decreases as large and complex projects take up a greater share of the budget.

In light of the environment just described, it is disappointing that infrastructure did not receive any increases from the recent budget cap agreement. It's also frustrating that half of the Department

decided not to submit an unfunded priority list, when all of the Services have acknowledged a substantial backlog of MILCON requirements.

Increases in the FY2019 budget request begin to improve our infrastructure, but reversing years of underfunding while simultaneously building ready and resilient installations to support changing global posture will remain a challenge.

We must work smarter and find innovative solutions to bring the right investment at the right time, on schedule and within budget to deliver facilities that provide maximum readiness and warfighting capability.

Today we will hear from representatives of all the military services as well as the Office of the Secretary of Defense. Joining us are Mr. Lucian Niemeyer, Assistant Secretary of Defense for Energy, Installations, and Environment; Lieutenant General Gwendolyn Bingham, Assistant Chief of Staff of the Army for Installation Management; Vice Admiral Dixon R. Smith, Deputy Chief of Naval Operations for Fleet Readiness and Logistics; Major General Vincent A. Coglianesse, Commander of Marine Corps Installations Command and Assistant Deputy Commandant, Installations, and Logistics (Facilities); and Major General Timothy S. Green, Air Force Deputy Chief of Staff for Logistics, Engineering, and Force Protection and Director of Civil Engineers.

The subcommittee looks forward to your testimony. Before we turn to our witnesses, I'd like to recognize my colleague, the Senator from Hawaii, for his opening remarks.

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