NOMINATION: WILSON

Thursday, March 30, 2017

U.S. Senate
Committee on Armed Services
Washington, D.C.

The committee met, pursuant to notice, at 9:29 a.m. in Room SD-G50, Dirksen Senate Office Building, Hon. John McCain, chairman of the committee, presiding.

OPENING STATEMENT OF HON. JOHN MCCAIN, U.S. SENATOR
FROM ARIZONA

Chairman McCain: Good morning. The 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 are 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 who are joining you today.

It is the standard for this committee to ask certain questions in order to exercise its legislative and oversight responsibility. These are the standard questions that we ask every nominee.

It is 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?

Dr. Wilson: Yes.

Chairman McCain: Will you ensure that your staff complies with deadlines established for requested communications, including questions for the record in
hearings?

Dr. Wilson: Yes.

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

Dr. Wilson: Yes.

Chairman McCain: Will those witnesses be protected from reprisal for their testimony or briefings?

Dr. Wilson: Yes.

Chairman McCain: Do you agree, if confirmed, to appear to testify upon request before this committee?

Dr. Wilson: Yes.

Chairman 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?

Dr. Wilson: Yes.

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

Dr. Wilson: No.

Chairman McCain: I would like to mention to our members that we are going to have a 10 o'clock vote, so we will not stop the committee. Senator Reed and I will bounce
back and forth in order to make the votes. We have two votes at 10, so we will bounce back and forth, and continue the hearing to make sure that all members have 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 -- the threat of terrorism and instability emanating from North Africa to the Middle East to 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. Twenty-five 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 have 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, the personnel, and the
equipment and training it needs to succeed. We are 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.

Dr. Wilson, I look forward to discussing the challenges
you will face, if confirmed, and how you plan to 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-based strategic deterrent B-61 gravity bomb and the long-range standoff weapon.

There is 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 also will have to be willing to challenge conventional wisdom and reevaluate how the Air Force is shaped. You will need to take an informed look at an optimal mix of the long-range and short-range combat aircraft, manned and unmanned systems, ISR, space and cyber capabilities, and key joint enablers, and you must also closely examine how the Air Force provides ready and capable forces to our combatant commanders.

Furthermore, as this committee has emphasized over the last 2 years, no matter how many dollars we spend, we will not 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 is 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 warfighters and the 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 am interested in hearing your plans on how to mitigate such manpower shortfalls, improve 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?
STATEMENT OF HON. JACK REED, U.S. SENATOR FROM RHODE ISLAND

Senator Reed: Thank you very much, Mr. Chairman.

I appreciate Dr. Wilson's willingness to serve the Nation and appear before the committee as the 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 for 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 ask 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 and Company LLC, founded by Dr. Wilson following her tenure in Congress, had contracts with four National Nuclear Security Administration laboratories, Sandia National Laboratories, Los Alamos National Laboratory, Oak Ridge National Laboratory, and a Nevada national security site. From January 2009 through part of
2011, Dr. Wilson's company received $464,000 in payments from these laboratories for consulting services.

However, due to claims of contracting irregularities involving her company, the Department of Energy inspector general conducted two investigations into this matter. As a result, the contractors who operate 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 was the absence of any appreciable evidence of work product.

Furthermore, Lockheed Martin, which operated Sandia National Laboratories, agreed to an overall settlement of $4.7 million for the management failures.

Let me be clear. Dr. Wilson was not found culpable of wrongdoing. Nevertheless, the allegations that were levied are serious and directly involve her company. And I do think that the situation merits closer scrutiny.

Second, in October 2006, Dr. Wilson contacted a sitting United States attorney, David C. Iglesias, regarding the status of Federal corruption cases in New Mexico while she was serving as a member of the House of Representatives. As a former Member of 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 have 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 trust, and we hold all of our servicemembers to the highest standards of conduct, and I believe the individual confirmed to lead these brave men and women must be held to the same standards.

Thank you.

Chairman McCain: Thank you.

I note that we have two undistinguished Members of the United States Senate here this morning who would like to make brief comments. You are certainly welcome, Senator Thune and Senator Rounds. I take it because of your advanced age, you would want to begin, Senator Thune.
STATEMENT OF HON. JOHN THUNE, U.S. SENATOR FROM SOUTH DAKOTA

Senator 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 have 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, I have had the pleasure of working with her as she leads 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 master's 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 served as an Air Force officer in Europe during the Cold War, in the 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. Within a few years, she 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 was not 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 quiet 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 is 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, is in college, and I understand has about five tests and a project due this week. 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 a great, supportive family, and they will be good for the Air Force.

Mr. Chairman, Heather has been a proven leader since her days as a cadet. She is well-versed in national security policy and nuclear deterrence. She understands the Air Force's key capabilities of air and 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 understands 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 am honored to be with you today and honored to be able to highly recommend Heather Wilson to you.
and your committee. Thank you.

Chairman McCain: Thank you very much, Senator Thune.

Senator Rounds?
STATEMENT OF HON. MIKE ROUNDS, U.S. SENATOR FROM SOUTH DAKOTA

Senator 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 have known Dr. Wilson as a leader in South Dakota during the most recent segment of her long and distinguished professional life. She 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 skyrocketing cost of college degrees, tuition and fees for an out-of-state student at the South Dakota School of Mines and Technology is less than $15,000 a year, making it one of the best returns on investment for college education in America.

Dr. Wilson became president of the School of Mines in
the summer of 2013. She has been a great leader and, if confirmed to be the next Secretary of 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, raised funds to build and refurbish buildings, started an honors program, and deepened 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 underappreciated form of leadership that requires far more skill than being a CEO does. It is 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 to the prompt confirmation of Dr. Wilson as the next Secretary of the Air Force.

I thank her for the honor of introducing her today.

Thank you, Mr. Chairman.

Chairman McCain: I want to thank both of you. I know, Senator Thune, you have other responsibilities. And, Senator Rounds, thank you for joining us.

We welcome Dr. Wilson. Please, Dr. Wilson, if you would like to introduce your family members who are here, your son here, we would be glad for you to, and proceed with your statement.
STATEMENT OF HON. HEATHER A. WILSON, TO BE SECRETARY OF THE AIR FORCE

Dr. Wilson: Thank you, Mr. Chairman. My son, Joshua, is here with me today, as is my brother-in-law, Mike Hone. As Senator Thune said, my daughter is otherwise detained, and my husband is recovering from surgery in South Dakota.

Chairman McCain: Terrible place to recover.

Dr. Wilson: Thank you, Mr. Chairman, Ranking Member Reed, and members of this committee, for so graciously welcoming me.

And thank you also to Senator Thune and Senator Rounds. The people of South Dakota are known for being hardworking and humble and kind, and I think they are well-led in both of you.

Mr. Chairman, without objection, I would like to put my whole statement in the record and then just summarize for you.

My nomination was unexpected. I did not 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
I 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 will not belabor the list of threats that we face, but I think we sometimes take for granted American dominance in air and space power.

The last time that an American ground trooper 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 combat operations.

But dominating the high ground is not a sure thing, and there is 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 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 today is 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, ammunitions, 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 am also people-oriented. The quality of our leaders, particularly at the squadron level and the 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 other defense committees in 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 are not only able to dominate today, we are 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.

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.

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 was 13 years old, and he enlisted in Air Force after high school, and he became 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 did not 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, at the age of 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.

[The prepared statement of Dr. Wilson follows:]
Chairman McCain: Thank you, Dr. Wilson.

Senator, if I could ask the indulgence of committee members, Senator Tillis has to attend the funeral of a dear friend, and I would ask the indulgence of the committee to allow him to go first, and then we will go through regular order.

Senator Tillis?

Senator Tillis: Thank you, Mr. Chair. He is actually a highly decorated marine who died just shortly after he retired, and we are going to be over at Arlington, so thank you for your indulgence. I will try to be brief.

Dr. Wilson, I look forward to voting for your confirmation, and I fully expect that you are going to be confirmed. We need strong leadership at a time when -- 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 qualifications. We are more than 1,000 pilots short, about 800 of them are fighter pilots. I could go down the list. We have already talked about the smallest Air Force in our history.

So when you think about those deficits, they are deficits in what is the smallest Air Force in history, and the oldest.

So I appreciate your courage and willingness 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 CR that does not 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 are eminently qualified.

I am going to briefly touch on a parochial issue, but I am not going to ask you to respond to it.

Last year, and I have to agree with the chair, something that I was trying to do at Pope Army Airfield, a place where Senator Reed has a lot of fond memories of the Green Ramp, has a unique mission in the global response force. And I was trying to do something that I do not think the chair liked, and he is 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, weather, illnesses, mechanical problems, the way that they are trying to help fulfill the training mission down there for the 82nd Airborne.

But I think, on reflection, I realize 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 and support, in this case, the mission down at Fort
Bragg.

But we really need feedback from you in terms of the things that we have done in the past that would take the 440th and put it 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, BRAC and a couple other legislative actions that would have been similar to the one that I was trying to take. Those sorts of barriers need to be removed.

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 are actually hindering you to be able to achieve the other mandate that we gave to you, which is reducing costs and optimizing? Can I get your commitment to, fairly early in year tenure, to go after these things and tell Congress they need to act so that we can help you achieve these efficiencies that we are also expecting you to achieve?

Dr. Wilson: Senator, I am very happy to work with you on those kind of mandates.

Senator Tillis: There are a lot. And you know, Dr. Wilson, we can absolutely give you the specific use case of what resulted in the 440th decision as an example of things that we have to change, if we are really going to put you in a position to succeed in your mission.
This is the last thing I am going to talk about. That right there is actually something that started in the Air Force about 10 years ago. It is a 680-page RFP for the next generation handgun. It started in the Air Force. It 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 a 700-page RFP to define a handgun. That does not 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 spent 10 years and 700 pages for the next generation handgun, and go look at that and maybe work with me to figure out how we can streamline and to what extent Congress has to get involved to do that?

Dr. Wilson: Yes, sir.

Senator Tillis: Thank you. I look forward to your confirmation.

Chairman McCain: I thank you, Senator Tillis. 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 then 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?

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

When leaving the Congress, the president of Sandia talked to me about working full time and joining Sandia. It did not seem to me that there was the right fit there, that there was a position that was a good fit, and I was not ready to make that commitment. But what we did agree instead was that I would work for them about a quarter time, about 50 hours a month for the president and 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 2011, Sandia offered me the position of vice president over all of the nonnuclear defense and
intelligence programs, about 1,400 employees and 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 -- well, I did work for 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 of 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 of 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. I did numerous program reviews, helped with cybersecurity in their new cyber program. There were some special satellite programs at Sandia I also assisted in.
Chairman McCain: You will have to summarize your answer, Dr. Wilson. I have other questions.

Dr. Wilson: Senator, there was a wide variety of national security things that I did.

I also served, although not directly, with the congressional affairs office. I was always available to them to answer the vice president's and president's questions concerning the general operation of the United States Congress and the Federal bureaucracy.

Chairman McCain: Did you contact any Member of Congress or Federal official concerning a contract extension for Sandia Corporation?

Dr. Wilson: No.

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

Dr. Wilson: Yes.

Chairman McCain: Why?

Dr. Wilson: Because it was not. It is my view that the national laboratories are special assets. They are government-owned assets, and we have had very long tenure and stability in those national laboratories. MIT Lincoln Lab, for example, has had MIT as its operator since 1963. These are nonprofit government laboratories that have a management and operating contractor, and they are of very
long tenure.
Chairman McCain: If confirmed, will you advocate for the competition of Air Force contracts?
Dr. Wilson: Yes, when it is in the best interest of the government.
Chairman McCain: Were you disciplined or cited for a breach of ethics in connection with your consulting work for Sandia?
Dr. Wilson: No.
Chairman McCain: Were you investigated or charged with violating any law in connection with your consulting work for Sandia?
Dr. Wilson: No.
Chairman 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?
Dr. Wilson: No.
Chairman McCain: Thank you, Dr. Wilson.
Senator Reed?
Senator Reed: Thank you very much, Mr. Chairman.
Let me just continue.
As I indicated in my opening statement, at the request of the National Nuclear Security Administration, the Department of Energy IG reviewed certain consulting agreements awarded to Heather Wilson and Company LLC,
whether they were appropriately administered and managed.
Essentially, that was a sole proprietorship, as I understand it.

Two significant issues were identified in this review. It appears that you may have charged as many as four different government-owned and contractor-operated sites for the same consulting services for which you received approximately $450,000.

The IG 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 IG concluded that you did not comply with this requirement, nor was it enforced by the contracting officials involved.

While the contracting official did not enforce the Federal Acquisition Regulation to the 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?

Dr. Wilson: Senator, I did the work. I complied with the contract. The review found no fault with me. And the DOE auditors never even talked to me.

Senator Reed: But were you aware, my question is, of the need to maintain work product and evidence of your work for accounting purposes?
Dr. Wilson: Senator, I submitted substantial work product and worked directly for the laboratories for no less than 50 hours a month.

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

Dr. 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 occurred 7 years ago now.

Senator Reed: So your position is that you had no knowledge of the requirement to maintain records, and that whatever records were required are no longer in your possession?

Dr. Wilson: Senator, I complied with the contract and provided the work that Sandia National Laboratories and the other laboratories asked of me.

Senator Reed: Did versions of those contracts contain language requiring recordkeeping? And did you reject those versions of the contract before you signed it?

Dr. Wilson: Senator, I do not believe so. I do not recall anything like that.

Senator Reed: So you do not recall drafts of contracts that were offered to you that required, according to FAR regulations, that you would maintain records of your work so that they could be validated? You do not recall that?

Dr. Wilson: Senator, the contracts that I signed were
pretty standard contracts provided by Sandia and Los Alamos and so forth.

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

Dr. Wilson: Yes, Senator.

Senator Reed: So there was a negotiation about what would be in the contract and what would not be in the contract?

Dr. Wilson: Senator, mostly with respect to the statement of work, yes.

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

Dr. Wilson: I do not recall that at all, sir.

Senator Reed: Just let me ask a question which is much more pertinent today, which would be, if you, as Secretary of the Air Force, 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?

Dr. Wilson: Senator, I would expect the 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.

Senator Reed: Why would Lockheed reimburse the government $440,000 or more for work which the government could not find nor could Lockheed find evidence and not try to reimburse or ask you to reimburse monies?

Dr. Wilson: Senator, you would have to ask Sandia that.

Senator Reed: So if you were Secretary of the Air Force, you would not probe down to the actual contractor or subcontractor to determine what was done and see if they were culpable for anything?

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

Senator Reed: Let me shift quickly. In 2008, a report of the Department of Justice indicated that you contacted David Iglesias, the U.S. attorney for New Mexico, to inquire about the prosecution of certain public corruption cases.

The House ethics manual in effect at the time provided that a request for background information or a status report from a Federal attorney "may in effect be an indirect or subtle effort to influence the substantive outcome of a proceeding," 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 public corruption cases?

Dr. 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 start an investigation of me.

With respect to why I called him, it is because public corruption was a serious problem in the State of New Mexico, and an individual, a 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.

Senator Reed: So you did not call about corruption cases specifically but you called him about corruption cases, which I think, logically, people would infer or he would infer were those cases that were pending before his Federal attorney's office. Is that a fair assumption?

Dr. Wilson: Senator, sadly, there, at the time, were a very large problem with public corruption in New Mexico and a large number of investigations underway.
Senator Reed: You said you called in response to an inquiry by someone. Who was that person?

Dr. Wilson: Senator, someone trusted me to do the right thing with information that concerned them, and I did not betray them then, and I am not going to betray them now.

Senator Reed: Well, I think it is important because it adds to sort of the motivation for the call. If this was a random constituent, that is one factor. If this was someone who had an issue or a motive to bring the cases or not bring the cases, that, I think, would cast this call in a much different light.

So I think it is very unhelpful to not be able to indicate. If this was an innocuous call about the general status of prosecutions in the State, of your home State, prompted by an innocuous contact by someone, I do not see why you would be reluctant to indicate who urged you to call.

Dr. Wilson: Senator, I did not betray them then, and I am not going to betray them now.

I do think that the issue here -- and you and I come from a very similar background; you came from West Point, and 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 is what I did with David Iglesias, who is a personal friend. He gave me his word,
and I took him at his word.

Senator Reed: So you called a Federal official in his Federal role to make an inquiry about pending cases, maybe not specifically, based on an anonymous contact that you received?

Dr. 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 the U.S. attorney was intentionally delaying corruption prosecutions. In some way, I had to resolve that, and I chose to resolve it by calling him and asking him about it. He denied it, and I took him at his word.

Senator Reed: [Presiding.] Well, I find it still very unsettling. Thank you.

Senator Inhofe?

Senator Inhofe: Dr. Wilson, I think we covered it pretty well in your opening statement and the questions that were asked previously, but it is worth restating. I think it is very important, because people out there do not know what our situation is. Now you stated, and you stated again in 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 is a very good statement.

But then within that, we hear from others, 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 is saying is, it is not like it used to be, we are automatically better at everything. Those days are behind us.

Hopefully, that will change. But nonetheless, that is a problem that we have.

Now, we are faced now with looking at some new equipment coming in, and some of the problems that we learned from the past. I will quote General Carlisle. He said: We do not have enough of F-22s. It is a fact of life. We did not buy enough. That is because we were shortsighted. We curtailed the F-22 procurement to just 187 when it started off to be 781.

Now some of the same arguments 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?
Dr. Wilson: Yes, Senator. It does.

Senator Inhofe: Last month, we had a 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 problems that are facing us right now, and I know that you have already studied that.

The only thing I wanted to get to was this morning I saw that the Air Force Times had an article by Gina Grosso, who is the personnel chief of the Air Force. In here, she points out the very good case on the pilot problem.

I have been active and still am an active commercial pilot, so I talk to a lot of these guys and gals who are out there and are faced with a problem that she points out vividly, and that is that we have a high optempo on the ones that are actually flying out there, but the ones that are not flying, are not out in front, are not getting the hours. And I will not quote all of the statistics that we have, but I know that you understand that is the case.

I would hope -- it seemed like she was stressing the idea that you can go from 25 to 35 on a reenlistment bonus and somehow solve the problems. I do not think that is going to be enough. I think we are going to have to do something about the training of these guys and allowing them to fly hours, because right now, they are flying about one-
fourth of the hours that they were prior to over the last 10 years.

So I would 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.

Dr. Wilson: Senator, I look forward to that.

Senator Inhofe: That is good, and I look forward to supporting you.

Thank you.

Senator Reed: Senator Peters, please, on behalf of the chairman.

Senator Peters: Thank you, Senator Reed.

Thank you, Dr. Wilson, for being here. I enjoyed our conversation in the office and appreciated the opportunity 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 of Michigan.

I want to talk a little, hear a little bit more about your thoughts on R&D. You mentioned that in your opening statement, that we have to think about the face of warfare years ahead, and those changes are happening a lot quicker than many of us anticipated.
As a Senator from Michigan and being intimately involved in self-driving vehicles, soon we are going to have self-driving vehicles here before us much sooner, and we expect the same thing when it comes to autonomous flying vehicles as well. UAVs will likely transform the face of warfare, 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 does not relieve us of very significant challenges that we are facing right now.

But what do you see for the future of airpower going forward? What sort of R&D work do we need to do. I have had some folks tell me that we may have constructed the last fighter aircraft with a human pilot in it, that it is going to change dramatically. Just kind of generally your thoughts.

Dr. Wilson: Senator, I look forward to working with the scientists and engineers to help identify what are the most important vectors to pursue. But there is one thing that is very clear, and that is that the pace of change is going to accelerate. We are either going to have to rapidly accelerate ourselves and be able to spin on innovation into the service, or we are going to be left behind. But it is things like autonomous systems, network systems, advanced materials. I think there are a wide array of things.
But one of the things that concerns me is the low percentage of the Air Force budget that is actually spent on R&D. That concerns me because if you look at -- my grandfather 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 continue to innovate or we are going to get left behind.

Senator Peters: Right. That is accelerating as well, that pace, as you rightly portray.

Dr. Wilson, I would 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 are very proud that he served at our base in Michigan. As you know, they currently host the A-10 fighter aircraft and the KC-135 tankers.

When the Air Force planned to retire the A-10 sooner than they are 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 maintain these platforms, more certainty and clarity about the future of that mission at installations like Selfridge is certainly very important to them.

Now that we know that the Air Force will not be
retiring 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?

Dr. Wilson: Senator, first, the Chief of Staff in the
Air Force has committed to keep the A-10s. I think it is
out through 2020.

The Air Force has a strategic basing process to look at
basing and planning. What I will commit to you is it will
be straight. There will not be any thumbs on the scale. We
will have the Air Force do things based on the best
interests of the country and the Air Force. That also often
means that where one Senator may be, in the end, very happy,
there are 49 who are not, or 49 States that are not.

But I will commit to you to be open and transparent and
to be fair.

Senator Peters: And related to that is the strategic
basing process for the F-35. We currently have five
candidate bases that have been determined through that
process. I would hope that we would continue to move that
process forward without any type of modification and
hopefully have your commitment to do that.

It has been a good process. It needs to continue as it
has been spelled out, I believe.

Dr. Wilson: Senator, as I understand it, the Air Force
is moving forward with that and -- they are obviously doing
a review directed by the Secretary of Defense with respect
to the F-35, but I have heard nothing yet about any change
to its strategic basing plan.

Senator Peters: Right. Thank you very much. I
appreciate your answers.

Chairman McCain: [Presiding.] Dr. Wilson, I would
hope that, as part of your new duties, you would call
Colonel Graham back to Active Duty.

Colonel Graham?

Senator Graham: Thank you. We do not want to help the
enemy, so I would recommend you do not do that. 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 are not going
to have as many F-35s as we like because of sequestration?

Dr. Wilson: Senator, there is no question that
sequestration is placing great constraints on the force, and
we need to fix this.

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

Dr. Wilson: Senator, if the budget number changed and
there were more aircraft, you have to have a place to put
them.
Senator Graham: Okay. I would urge you to do that, because I am 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?

Dr. Wilson: Yes, sir. I do.

Senator Graham: So if this body cares about the military at all, we would not pass a continuing resolution.

Dr. Wilson: That is correct.

Senator Graham: So we actually need a budget.

Do you agree with me that the amount of money we are spending on the Department of Defense in terms of GDP is a virtually historic low?

Dr. Wilson: Senator, I have not seen the most recent chart, but I will accept that.

Senator Graham: Do you agree with me that the threats to this Nation are growing, not lessening?

Dr. Wilson: Yes.

Senator Graham: When it comes to North Korea, I know you are new to the job, and you will be an excellent Secretary of the Air Force. I congratulate the President. It is stronger for choosing you because you understand the Air Force. You understand the challenges that 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 is inevitable without change?

Dr. Wilson: Senator, I have not had a classified briefing on North Korea for some time, but based on what we are seeing in the public press, there is serious cause for concern.

Senator 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-tipped missile, and we should avoid that, if at all possible?

Dr. Wilson: Yes, sir.

Senator Graham: And airpower may be necessary to avoid that. Is that correct?

Dr. Wilson: Sir, I have not seen any kinds of plans or had a classified briefing, but I think airpower and strong airpower is necessary for just about any operating --

Senator 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 and China, we need to modernize our force as quick as possible.

Dr. Wilson: Yes, sir.
Senator Graham: Okay. When it comes to the airmen who serve so well, do you agree with me that the war on terror is taking the Air Force in new directions never envisioned, where airmen are out there basically doing infantry jobs because of the shortage in the Army?

Dr. Wilson: Yes, sir.

Senator Graham: Driving trucks, doing things that --

Dr. Wilson: We drive trucks too.

Senator Graham: Yeah, but I mean, really combat --

Dr. Wilson: Yes, sir. We have battlefield airmen who have always been battlefield airmen doing Air Force jobs on the ground.

Senator 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, the one thing we will 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?

Dr. Wilson: Senator, 40,000 munitions have been put on
the ISIS target since 2014. Ninety percent of them have
been delivered by the United States Air Force. That is an
air commander who has to decide at the moment what platform
he needs to do a particular job at a particular place.
Whether that is an F-16 or whether that is in F-18 or an A-
10 just depends on the job. And we need to make sure that
that air commander has all kinds of opportunities to defeat
and kill the enemy.

Senator Graham: Final question. On the asymmetrical
battlefield against radical Islam, we play 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 are going to need more money and more people to
do that?

Dr. Wilson: Yes.

Senator Graham: Thank you.

Chairman McCain: Senator Fischer?

Senator Fischer: Thank you, Mr. Chairman.

Dr. Wilson, in your responses to the committee's
advanced policy questions, you answered a question about the
necessity of maintaining a nuclear triad and you stated
that, "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 are a core mission of the Air Force and will continue to be a core mission." You also mentioned that briefly in your 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?

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

Senator Fischer: Where do you believe we are right now with regard to modernization for that triad, and specifically the two legs that, if confirmed, you will be responsible for?

Dr. Wilson: Senator, based on the publicly available information that I have had access to over the last 3 months, it seems to me that the Minuteman is a 1970s missile. The Air Force does not believe they can extend the life of it any further. Likewise, we need to modernize the air-based deterrent, and the V-21 is being designed from the beginning 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
is only so much you can do with 70-year-old materials, and I
think it is time to say we have to replace them.

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

Dr. Wilson: Senator, I have not had an opportunity to
look at that.

Senator Fischer: Thank you.

Doctor, I also would like to ask you about the UH-1N
Huey helicopters that are currently performing the nuclear
security and the continuity of government missions.

Last year, we saw General Robin Rand, who commands the
Air Force Global Strike Command, testify that, "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 "do not have the lift capability,
speed capability, to meet the requirements that have been
approved and validated through a number of studies, as well
as Mighty Guardian exercises." He went on to describe the
need for a replacement as urgent, and that was a year ago. Despite the clear need, the Air Force replacement program continues to be delayed time and time again. Just last month, the Air Force withdrew the draft RFP and changed the acquisitions 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?

Dr. Wilson: Senator, I will look at the UH-1N program. It is something that I have just looked at at the very top level at this point, but it is one of the many modernization programs that I am sure I will be looking at very closely.

Senator Fischer: But I know you do understand the importance of making sure that those fields are protected and there is limited capability of doing so.

Dr. Wilson: Absolutely.

Senator 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. 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 will 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?
Dr. Wilson: Yes.
Senator Fischer: Thank you.
Thank you, Mr. Chairman.
Chairman McCain: Senator Rounds?
Senator Rounds: Thank you, Mr. Chairman.

First of all, I am just very happy to have you here in
front of us today, and I look forward to a very speedy
confirmation process for you.

I am just curious, when you have the opportunity, and I
would suspect that you are going to have lots of
opportunities in the future, what is your elevator speech
regarding the effects of the sequester, the BCA, on the
United States Air Force?

Dr. Wilson: I think it needs to be repealed, and there
are a variety of ways that Congress might do that, but it is
hurting the Air Force and our ability to defend ourselves.
More importantly, the most immediate issue that Congress is
going to face is 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 are talking about
here so much worse. We will have to stop noncombat flying
hours in the Air Force. The pilot exodus would increase.
The aircraft will not be going to depots to be maintained.
There will likely be a freeze on a civilian hiring.
We cannot operate this way. We need to get beyond the
Budget Control Act and get back to normal operations for
budgeting.

Senator Rounds: As you know, there is a dispute within
our party regarding the right balance between increased
defense spending and deficit reduction. Where do you come
down on this issue?

Dr. Wilson: Senator, the debt is also an issue for our
country, but I think this is a country that can afford to
defend itself.

Senator Rounds: A matter of priorities, perhaps?

Dr. Wilson: Yes, Senator.

Senator Rounds: You are about probably a third of the
way through your hearing today, I would suspect. I am just
curious, with regard to the questions that have come up so
far today, are there any questions that you perhaps have not
had the time to answer fully? Anything that you would like
to add to any of the questions, or clarifications on any of
the questions that have been in front of you so far?

Dr. Wilson: No, sir. Not at this point.

Senator Rounds: Very good.

Let me talk a little bit about how we are going to move
forward in the Air Force with regard to technology and the need to upgrade the entire system.

We have peer competitors. I think everybody would recognize both China and Russia have been moving forward not only with the development of new aircraft but with new aircraft with large numbers.

How do we move forward in regard to fourth gen. We have some fifth gen, not enough. What is 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 we do in terms of upgrading the technologies so that the 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 do we move forward?

Where do we go? Do we keep fourth gen around? What we do?

Dr. Wilson: Senator, there will be fourth generation aircraft around for a long time. As to what is the right mix, I would have to defer to the uniform military as well as to the civilian folks in the Air Force, whom I have not yet really been fully briefed on what they are looking at for plans. And the Air Force is always planning.

But I would say this. I think it is 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.

Long procurements have changes in requirements, and costs escalate, and the people in the field do not get what they need to do the job. So I think those things -- I am very interested in becoming more familiar with the experimentation and prototyping authorities that the Congress has put in the last defense authorization act.

Of course, I think it needs to be easier to buy commercial products, particularly in the areas of very rapid -- where there is 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 nondefense purpose.

Senator Rounds: Prepared to take comments from individual organizations that contract with the government on how to provide a lot of these 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 have to fit our need but also recognizing that sometimes the folks who are living within those fields are sometimes some of the best places to get good advice about ways to expedite and streamline a very
broken process today?

Dr. Wilson: Senator, I am very open to all kinds of ideas.

Senator Rounds: Thank you.

Thank you, Mr. Chairman.

Senator Reed: [Presiding.] Thank you.

On behalf of Chairman McCain, Senator Wicker, please?

Senator Wicker: Thank you very much, Senator Reed.

Dr. Wilson, it is wonderful to have you back here, and I look forward to you serving in government again. You were a terrific colleague in the House.

We talked about retention of pilots. We talked about the pilot shortage. And part and parcel to that is the retention problem we have. They are so well-trained, they are so talented, they are so marketable, that the private sector wants to hire them.

So speak to that, if you will. But also, do we have the same problem with the cyber work force in the Air Force? And what are we going to do about that, because these folks are so skilled and so smart and the demand for them is so keen out there?

Dr. Wilson: Senator, let me take those in reverse order. With respect to the cyber work force, you are right. The demand is very high outside of the Air Force for folks with those capabilities.
One of the things that you put in the defense authorization act last year was to allow the services to explore some other direct commissioning programs, and I would like to kind of turn to the Air Force and kind of ask 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 we could locate in places where there are concentrations of highly technical people. And I would be interested in turning to the Air Force and to ask them that and working with you all on it because it is going to be an issue. They are just too highly valuable to not be taken away.

With respect to the pilot issues, there are a couple things. I was very pleased yesterday to see General Grosklags' 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 is not just about the money, because we will never be able to compete with the commercial airline industry. It is going to be about the quality of service and being able to do the job, and that is readiness. If a pilot can go out and fly today, if the aircraft is ready today, it is maintained, they have enough jet fuel and enough flying hour time, you are much more likely to keep
them.

I think there are a lot of additional duties that get added in for people who are here to fly and fight. 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.

Senator Wicker: Is it partially about bonuses though? And I wonder how much we are talking about spending.

Dr. Wilson: Senator, there are some bonuses that General Grosklags testified about that yesterday, and you all have authorized some additional pilot retention pay.

What I was pleased to see, and you all authorized, was the Air Force testified yesterday about using those dollars flexibly so that we do not just say, across-the-board, if you are a pilot, then you get this X bonus for Y number of years. But as private industry does, make this a bit of a negotiation and certainly try to keep pilots in the areas where we are most short, particularly we know we are having a problem with fighter pilots. Allowing the same amount of money as a bonus for somebody who is not a fighter pilot does not make a lot of sense to me.

Senator Wicker: So we can agree that it is a matter that needs attention both with the fighter pilots and the cyber force.

Dr. Wilson: Yes, sir.
Senator Wicker: Now you mentioned on page 2 of your testimony the quality of leaders at the squadron level and also education of airmen and the quality of command. And you talked about this in the answers to the questions that you answered in writing.

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

Dr. Wilson: Senator, I think it is that 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 will do the right thing, they will treat them fairly, and that they care about them, you have a great, well-led Air Force.

Senator Wicker: We have been deficient there?

Dr. Wilson: Senator, it is not so much that we have been deficient, but we always have 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 a cockpit, and they are flying and mastering that weapons system with very little responsibility for people until they become a commander. As I understand it, there is about a 1-week training course, and then you are 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, the Israelis, or whomever, to see what
we could do better.

Because if we have well-trained, well-educated, well-
prepared squadron and wing commanders who are first
sergeants, we will set the culture in a positive way for the
United States Air Force.

Senator Wicker: Put your thinking cap on. We look
forward to having your thoughts.

Dr. Wilson: Thank you, sir.

Senator Wicker: Thank you, Mr. Chairman.

Senator Reed: Thank you.

On behalf of Chairman McCain, Senator Sullivan, please.

Senator Sullivan: Thank you, Mr. Chairman.

And, Dr. Wilson, welcome. Thank you for your great
service to our Nation. Very, very impressive.

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 the
hub air combat power for the Asia-Pacific. With the F-35s
coming, we will 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
of air assets. And, of course, we have JPARC, which General
Welsh referred to as the crown jewel of air-to-air combat
training anywhere in the world, an airspace the size of Florida.

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

Dr. Wilson: Senator, any day in the field is better than a day in the office. I look forward to coming out to Alaska and to a lot of other places and seeing where we are. Yes, I would love to come to Alaska.

Senator Sullivan: Great.

With regard to last year's NDAA, there was a provision that talked about characteristics and principles that the Air Force should be looking at with regard to the OCONUS basing of the KC-46. A lot of those characteristics actually look like Alaska.

When General Goldfein was up for his nomination, he gave me his commitment that he would look at those characteristics hard and give Alaska a very, very hard look at the strategic basing of the KC-46s, which, when you are up there, I think you will 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?

Dr. Wilson: Senator, I will take a hard look, and I will take a look at those criteria in the NDAA.
Senator Sullivan: And then there has been a lot of talk -- actually, a number of us sat in on a Readiness Subcommittee hearing in Armed Services just yesterday with a number of the top generals in the Air Force testifying on the issue of readiness, on the issue of ranges.

When you are up in Alaska, I would like to get your commitment to take a look at JPARC and again at some of the upgrades. In the testimony yesterday, it was widely acknowledged that, given the size of that training area, it is what we are going to need with fifth-generation training because the stand-off of the fifth-generation aircraft are so dramatic.

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

Dr. Wilson: Senator, I look forward to that when I get up to Alaska.

Senator 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 actually, from what I can tell, just reading in the papers, I think done a good job helping drive down the cost. But at one point there was a discussion about, 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 of the Air Force?

Dr. Wilson: Senator, the Secretary of Defense has directed a review of the F-35, and that is underway. But as a general matter, the real thing I do not think you could do with an F-18 or F-15 or F-16 is give it stealth capability retroactively.

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

Dr. Wilson: Senator, just what I have seen in the public press, the defense news kinds of things on Chinese capabilities, they are developing stealth capability. And I do not see how we can stop modernizing and expect to win a near-peer fight. And I would rather have that fight be unfair and on our side.

Senator Sullivan: Well, I think with the cost reductions and the increase in the number of aircraft being produced, that will also drive down to the cost. It is 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 are trying to get these aircraft out, produced, 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?

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

Senator Sullivan: Great. Thank you.

Thank you, Mr. Chairman. I will have additional questions for the record, Dr. Wilson. Thank you.

Senator Reed: Thank you, Senator.

On behalf of Chairman McCain, Senator Warren, please.

Senator Warren: Thank you very much, Mr. Chairman.

Thank you for being here, Dr. Wilson.

I would like to associate myself with the comments of the ranking member and the chairman, and echo some of their concerns around ethics issues. I will be submitting some questions for the record on that.

But right now, I would 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 are going to need to use and maintain our current aircraft for a
long time to come. And that is 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 has been completed.

So, Dr. Wilson, I want to ask, if confirmed, will you defer 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?

Dr. Wilson: Senator, I saw the article in the paper that you are referring to. It was either testimony here or over in the House. I have not been fully briefed on that particular program. But I can say that the Air Force, as it should, is always doing out-year planning and what-if kind of planning. I will also commit to you to be fully transparent about --

Senator Warren: Listen again to my question. I want to know that you are 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 to make sure we get that analysis before you make that decision.

Dr. Wilson: Senator, my problem is that I am not sure
that it was an F-16 substitute, so I have not 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 have not been briefed on what they are looking at for options or life extension versus something else. I do not 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 are doing, whether it affects you or it affects anyone else.

And probably even more, I think it is important to gather ideas and share analysis as it is being done sometimes as hypotheticals, not just after a decision has been made.

Senator Warren: I appreciate that, Dr. Wilson, but I really do want to bear down on this point. So let me ask you 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?

Dr. Wilson: Yes.

Senator Warren: Good.

So I would like to move to another topic, if I can, that is very important to me, and that is science.

The Air Force has requested $28 billion for research,
development, test, and evaluation, RTDE, in fiscal year 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 is a more than 7 percent decrease in funding for basic research since fiscal year 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 are confirmed as Secretary of the Air Force, will you prioritize funding for basic and applied research?

Dr. Wilson: Yes.

Senator Warren: Good.

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

Dr. Wilson: Senator, this is an area where 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 onto the military but making it easier for commercial companies and universities to provide those capabilities to the Defense Department and particularly the Air Force.

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

What is the next one? We have trouble sometimes imagining how basic research can lead to innovation. But if you do not do it, you will not have innovation, and that is why I am so concerned about it.

Senator 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.

Chairman McCain: Well-said.

Senator Ernst? Colonel Ernst?
Senator Ernst: Thank you, Admiral.

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.

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?

Dr. Wilson: Yes.

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

Dr. Wilson: Yes.

Senator Ernst: Three, will you provide me with advanced notice should changes to the gender integration policies be considered?

Dr. Wilson: Yes.

Senator Ernst: And finally, given your previous work with the defense contracting industry, do you commit to upholding an unbiased approach throughout the acquisition process?

Dr. Wilson: Yes.

Senator 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 mothballed 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 3-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 combat capabilities? Specifically, how can we leverage the lessons of Combat Dragon to rapidly provide new capabilities to the warfighter without overburdening our American taxpayers?

Dr. Wilson: Thank you, Senator.

I think that is probably a good example. I was aware of some OV-10s that were recently brought back to service. I do not know if that was the Combat Dragon program.

But I do think that there are ways to innovate. I have 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 warfighter.
We always have to be sensitive to the fact that sometimes our great ideas 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 and all of those things.

But I think, particularly the Air Force, we are supposed to be the innovators. We are supposed to be the can-do, fix it, get it there, duct tape and bailing wire kind of service, in a way. And I think I am very open to those kinds of experiments.

Senator Ernst: Very good. Do you see other ways that you can use innovation in the Air Force to really protect the taxpayers? Are there other programs that you think should be looked at?

Dr. Wilson: There are a wide variety of innovation programs. I do think that thinking about how we engage the scientific and technical community, because we are all short of scientists and engineers, so how do we better engage them to try to move us forward, and also to try to be aware of what our adversaries might be doing?

Our entire intelligence system since Pearl Harbor has been set up for indications and warning. It is to prevent surprise attack. 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 their development of stealth technology -- the best examples are the development of the jet engine in World War II or the V-2 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 scientists and engineers who otherwise would not have known each other.

Senator Ernst: 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 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.
Chairman McCain: Senator Heinrich?

Senator 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 is 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 as Secretary, and 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 Secretary of the Air Force, you will be responsible for growing and retaining our pilot and our maintainer forces. When selecting an installation for these purposes, can you talk a little bit about what criteria you would most value, given the constraints that the Air Force is currently under?

Dr. Wilson: Senator, the strategic basing 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 has not been
a final decision on a final location. But as I mentioned to Senator Peters, when those decisions are made, we will not put any thumbs on the scale. We will try to make those straightforward, direct decisions in the best interests of the country.

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

Dr. Wilson: Senator, with respect to a particular weapons system, I probably could not, but I think with every weapons system and with every mission, there is a set of things that the Air Force decides are really important to them, for example, airspace to be able to conduct training operations or particular kinds of electronic practice areas, those kinds of things. And for every mission, it is probably slightly different. And then they just rank those in order.

Senator Heinrich: I was looking at your preliminary hearing questions and you said that you strongly support rapid prototyping, experimentation, and using rapid acquisition authorities to provide new capabilities to the warfighter.

Last year, the Senate Armed Services Committee granted rapid acquisition authorities for directed energy weapons systems.
As Secretary, would you look to use those authorities for directed energy? And would you support transitioning these systems to the warfighter more quickly?

Dr. Wilson: Senator, I do support transitioning systems very quickly to the warfighter. With respect to an acquisition strategy for a particular procurement, I would look for advice from the acquisition community before I would make any particular decision.

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

At Air Force Research Lab 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?

Dr. Wilson: Senator, we do have the hiring freeze in
place. There are exemptions and work through position by position. It is my understanding 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. And they are 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 can have happen right now is to have a continuing resolution for the last 5 months of the year that would probably result in a complete hiring freeze with no exemptions and will exacerbate the pilot shortage. We will have to stop, likely, if confirmed, we would have to stop a lot of the new starts that we have going, and we will dig the hole deeper.

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

Senator Heinrich: Thank you, Chairman.
Chairman McCain: Senator Perdue?
Senator Perdue: Thank you, Mr. Chairman.
Dr. Wilson, thank you for your stellar career and your willingness to take this on. I have two quick questions today.

I grew up in Warner Robins, Robins Air Force Base, and
I am very proud that that base has morphed over time from being a SAC base to a 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 am very concerned. General Levy is in charge of the Air Force supply chain, a great lieutenant general and has a stellar career of his own. But he has been educating me about the difficulties. Half the employment of the Air Force are civilians, as you just mentioned, and yet it takes 148 days, according to General Levy, because of Air Force rules, to onboard a new employee.

At a time when we are competing for cyber talent, mechanics, engineers, scientists, programmers, and so forth, as we talked privately, I am very concerned that we are not competitive in trying to reach out and retain and attract the best and the brightest for the Air Force in these civilian jobs.

So can you address how you would prioritize that, if you are confirmed?

Dr. Wilson: Senator, there are a lot of rules and regulations that sometimes -- they are trying to prevent us from doing bad things, but they keep us from doing good things. And I think, 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 just identified one, if it is that hard to hire someone, talent is going to be taken out from under you.

So I would be happy to take a look at those kinds of things. If there are particularly priority regulations that others have identified that need to be looked at, I am very open to what those should be.

Senator Perdue: Personally, as one example, two-thirds of our F-18s are not airworthy today. This is an all-hands-on-deck issue.

Would you pledge to work with the committee and bring us those idea to break through those regulations that we can help with to become more competitive?

Dr. Wilson: Senator, I would, and I would ask you to do so and help me.

Senator Perdue: Absolutely. You have it.

The second thing, I want talk about something we do not talk much about here, and that is space.

The Vice Chief of the Air Force, General Wilson, provided written testimony recently at one of our last subcommittee hearings on readiness that, "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 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 are confirmed?

Dr. Wilson: Senator, one of the things I am most looking forward to about this job is being potentially the senior adviser 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 antisatellite weapon, and I do not expect that things have slowed down since then.

There are a variety of things I think we need to do. There are launch issues we are 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 -- it is the development of strategies and techniques and capabilities to be able to fight through, to be resilient, to be as crafty and as successful in space as we are in air, and that is a very big change for the country, to be starting to think that way.

I think there are some elements in the Air Force that already are starting to develop those thoughts. I look forward to working with them and, of course, our national
partners and partners in other agencies.

Senator Perdue: Thank you. The last question I have is, at the very time that you are considering this responsibility and we are 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 the same time. And at the very time that they are expiring, the ramp-up of new programs to replace them, through delays and regulations and whatever funding, we are building a gap and it is a significant gap. 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 pledge to us to help educate us about that growing gap in the Air Force?

Dr. Wilson: Senator, when we talk about what is the risk or the Air Force talks about what is the risk of things like the Budget Control Act, that is a very good example of one.

Senator Perdue: But it is bigger than that. I am sorry, Dr. Wilson. It is actually bigger than that. This is a multiyear issue that has to do with our debt position and the fact that we will not face up to our responsibility
as Congress and how we spend money. And we are not fulfilling one of the major responsibilities we have as a unified government, and that is to defend the country. So I welcome your input, and I pledge to you our support. I am out of time, but I would love to work with you to make sure we fill that gap. It is very concerning.

Dr. Wilson: Yes, sir.

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

Dr. Wilson: Thank you.

Chairman McCain: Senator Donnelly?

Senator Donnelly: Thank you, Mr. Chairman.

And thank you, Dr. Wilson.

I wanted to ask 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?

Dr. Wilson: Senator, I am not familiar with the particular commitment that has been made.

Senator Donnelly: I asked you this a month ago.

Dr. Wilson: Senator, I cannot commit to a future mission today, in part because I am not privy to a lot of
the internal discussions in the Air Force because I cannot
be because I am before my confirmation. So there are a lot
of things.

The Air Force can provide me all of the things that
have been publicly available, but not anything behind it. So
I am still kind of outside of the door in that way.

Senator Donnelly: I know you are referring to the
strategic basing process, but I am not talking about making
a new basing decision. This one has already been made, and
all I am asking you to do is to honor the commitment of the
person who went before you.

Dr. Wilson: Senator, I will tell you this. If a
commitment has been made, we will stand by it.

Senator Donnelly: Thank you.

Dr. Wilson: I need to understand what the commitment
was a little bit more before I feel comfortable, and I
cannot know that until I walk in the door of the office.

Senator Donnelly: Well, let me ask you about mental
health as well. I appreciate your commitment to
prioritizing that. It is a readiness issue. It is a matter
of maintaining the strength of our force.

And, in 2014, this committee passed legislation
providing a mental health assessment for every servicemember
every year. It was named after a constituent of mine, Jacob
Sexton, who was lost to suicide in 2009. Each of the
service chiefs has 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?

Dr. Wilson: Yes.

Senator Donnelly: Thank you.

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

So what I am also asking is, 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 parts of this. The Air Force has a lot of parts of this. We want to try to work together so we are not in separate stovepipes here, so we are not reinventing the wheel every time we start a new system.

Dr. Wilson: Senator, yes. There are some times where that is appropriate. There are some times where it is actually more costly to force systems to use common parts. But where it makes sense, obviously, you bet.
Senator Donnelly: Thank you. Thank you, Mr. Chairman.

Chairman McCain: Senator Cotton?

Senator Cotton: Thank you.

Dr. Wilson, congratulations on your nomination. You have a big job with a lot of big challenges ahead of you, some of those we explored yesterday in a Subcommittee on Airland power hearing with some of the deputy chiefs from the White House -- or from the Air Force.

One in particular was the pilot shortage. We heard testimony yesterday 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?

Dr. Wilson: Senator, yes, I am.

Senator Cotton: The Air Force has provided pilots with bonuses. Those bonuses are increasing. We heard testimony yesterday the Air Force anticipates seeking even higher bonuses. 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-10 pilot who said, "I would give up my flight pay if it meant getting a full-time squadron scheduler."

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

Dr. Wilson: Yes.

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

Dr. Wilson: Senator, there are a couple things. I think, again, this gets down to squadron leadership. But it is also, every time something happens, there is another, well, we have to train everybody, or there is another computer-based training program that everybody has to sit through and push the yes, no, and next buttons.

And I think taking a complete review from the perspective of an airman of what is the extra stuff you are being asked to do -- now, some of it is entirely appropriate. If you are asked to be the squadron training officer, you should be the squadron training officer. But there is a lot of other stuff that gets added on that is really dispiriting, and I think we need to take a look from their perspective on whether every one of those things really is needed. Do we really need to do ladder safety training again this year?

Senator Cotton: With those steps and with the additional civilians that have been added in squadrons, do
you think the Air Force will have the remaining combat coded
squadrons fully manned by the end of the fiscal year?

Dr. Wilson: Senator, I do not know the answer to that,
but I think it is probably -- I do not know the answer to
that.

Senator Cotton: Okay.

I would 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 the
B-2 and the F-35 program. But I would like to ask about 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
challenges we are going to face from growing A2AD air
defense systems in places like Russia, China, Iran, North
Korea?

Dr. Wilson: Senator, we certainly need to be able to
penetrate to hold targets at risk. I understand that the
next piece of the national military strategy at the
classified level was finished late last year. I have not
yet seen that.

And I believe threat drives strategy. Strategy drives
force posture. And so, really, the force posture is
dependent on that strategy, which I have not yet been fully
briefed on.
Senator 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 do not think you touched on the long-range standoff cruise missile.

What are your thoughts on that missile?

Dr. Wilson: Senator, the Air Force has it in its plan. And we need modernization across-the-board with respect to the nuclear deterrent.

Senator Cotton: Do you support the LRSO program?

Dr. Wilson: Yes, sir. I do.

Senator Cotton: Now I would like to ascend from nuclear modernization to modernization as a whole and the budget.

The Air Force has a lot of bills coming due, not only nuclear modernization but the F-35 and the B-21 and the KC-46 and the JSTARS and the presidential aircraft replacement program, among other things.

Have you received indications from the senior leadership 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?

Dr. Wilson: Senator, as I understand it, there is a
top line for fiscal year 2018, and the Air Force and the
other services are working through what is the structure
under the fiscal year 2018 number. And I think we all know
we are not going to get out of this in a single year.

Senator Cotton: Are you confident we will in the
coming 5 years' defense program?

Dr. Wilson: Senator, I am here to try to do that.

Senator Cotton: We will be here to try to help you and
our Air Force do that as well.

Thank you, Dr. Wilson. Congratulations again.

Dr. Wilson: Thank you.

Chairman McCain: Senator Gillibrand?

Senator Gillibrand: Thank you, Mr. Chairman.

Thank you, Dr. Wilson, for being here, and for 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 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
its leadership on cyber in the Air Force and beyond. I
would love to have you visit Rome and see this critical work
firsthand. Will you come to the Rome labs?
Dr. Wilson: Senator, as I mentioned with respect to Alaska 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. All of this will depend on timing.

Senator Gillibrand: Of course.

Dr. Wilson: But I do want to come.

Senator Gillibrand: It is just really impressive and very inspiring. I think if you get to see what they are doing, you will have more of an interest in supporting their work, so I would like to extend that invitation.

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

There are two known sites in New York, one at the 106th on Long Island, which was quickly identified and immediately cleaned up, and one at the 105th in Newburgh, which has moved much slower.

My staff has been in constant contact with the National Guard on this matter, and I know it is 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 that all contamination is remediated in a
timely manner so our citizens can have access to clean
drinking water?

Dr. Wilson: Yes.

Senator Gillibrand: Thank you.

My last issue is about LGBTQ issues. As Secretary of
the Air Force, you will be responsible for running the Air
Force enterprise, including dealing with issues related to
LGBT airmen and civilians, and I am concerned by some of the
things you have said in the past about the rights and
protections for LGBT citizens.

Specifically, in 2012, you stated that you "tolerate"
but do not "approve of" LGBT individuals.

Do you still stand by that statement?

Dr. Wilson: Senator, it is not my intention to change
any of the policies currently in place with respect to
sexual orientation. And I think the appropriate thing to
do, as I do as a university president, is to treat everyone
with dignity and respect.

Senator Gillibrand: Well, I appreciate that you make a
commitment to treat everyone with dignity and respect. I
think that is really important in a position of leadership
and very important as a public servant, because you must
value all men and women who serve underneath you regardless
of their sexual orientation.

Dr. Wilson: Yes.

Senator Gillibrand: Thank you.

Thank you, Mr. Chairman.

Chairman McCain: Senator Strange?

Senator Strange: Thank you, Mr. Chairman.

And welcome, Doctor, 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 and your background as 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, so I know she would be proud to see you in this position, leading the Air Force.

We covered a lot of ground when we talked, and I appreciated your answers. I just want to point out again the importance of Dannelly Field Guard station in Alabama, one of the installations I am very proud of in our State.

It is one of the five being considered, as you know, for the F-35. That process is ongoing. I just want to confirm that you are comfortable with the process and the timing for the selection of one of the two facilities that will ultimately be the destination for that program.

Dr. Wilson: Senator, I know that that is underway. As
I mentioned, I do not have a very deep insight into what the tradeoffs are, but I am sure I will be briefed on that, if confirmed.

Senator Strange: Great. That is a very high priority for me. I am proud of the service men and women that are there. And it is an excellent facility, and I look forward to working with you in that process.

Mr. Chairman, that is really the only question I had. I will yield back my time.

Chairman McCain: Senator Blumenthal?

Senator Blumenthal: Thank you, Mr. Chairman. 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. I know that with respect to most policy questions, you said you need to be briefed, you need to learn more, you need to be better acquainted with the policies and programs ongoing at the Air Force. So there will be a time, I am sure, when we will want to go into greater depth on those issues, if you are confirmed.

But on the issue of the contract that Senator Reed cited, my understanding is that you were cited by the Department of Energy inspector general for lacking sufficient detail in your own invoices. One of them I would like to place in the record, if there is no objection.
Chairman McCain: Without objection.

[The information referred to follows:]

[COMMITTEE INSERT]
Senator Blumenthal: 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 that 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 is nothing to read on it because it is virtually blank except for your name and the invoice number, and an item that says "consulting services."

So just as a matter of procedure and accountability, because this is a profoundly important issue for defense procurement, should there not be better oversight of contractor billing and documentation?

And is this not a bad example -- leadership is by example; the best leadership is by good example -- of how billing and invoice submission should be conducted?

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

Senator Blumenthal: Assuming all of that is true, why not invoice it?

Dr. Wilson: Senator, the laboratories never asked for that.

Senator Blumenthal: Well, I am asking you, as a potential Secretary of the Air Force, whether you will hold contractors to a higher standard than is indicated by this document. It is a forward-looking question. I am not asking you to reconstruct in your testimony now what you did. But should we not expect more from contractors than this kind of blank invoice?

Dr. Wilson: Senator, I think we should expect contractors to comply with the contracts which they signed with the government. And, in this case, I did.

Senator Blumenthal: Well, you know, the answer to my question is really a simple yes. That is 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 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.

Dr. Wilson: Senator, the people that I worked with were supervising me 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 complied 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.

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

Dr. Wilson: Senator, the United States deserved my best work, and that is what they got.

Senator Blumenthal: Well, they may have gotten your best work, but I hope, if you are confirmed, 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 is in the record, so it will speak for itself.

Thank you, Mr. Chairman.

Chairman McCain: Senator Shaheen?

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

I also want to point out that you are a native of Keene, New Hampshire, and we are very proud of you in the State. I do not 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. They are here for their professional development today, and it is a recognition of the effort that you are taking on.

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

We are concerned about it because Pease is one of those first bases that is supposed to get the new KC-46A. And I understand it is going to be delayed another 6 months to the end of 2018.

There was a recent GAO report that identified Boeing, the manufacturer of the KC-46A, and explained that it struggled to meet scheduled milestones throughout the duration of the program, and it is 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 are seeing. I am 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?

Dr. Wilson: Senator, I think there are a number of things. You have to set realistic schedules upfront, and you have to have very good program managers who are authorized, and often very small and focused program management offices of exceptional professionals to manage these programs.

And then, of course, you hold people accountable for results. Sometimes people set out schedules and timelines that are too ambitious upfront, but I think getting those realistic upfront, and then, finally, making sure that requirements do not change in the process. Fix those requirements and build the system.

As a university president, the worst thing you can do is start changing the design after you have started construction in the laboratory or the building. You have to fix it up front and then come in and build to print and get it on a tight timeline. I think the same is true for most major weapons systems.
Senator Shaheen: Should we be looking at -- it is my understanding that for a lot of these oversight positions that people are in, that they are only in those positions several years, and then they are moved on.

What kind of a challenge does that present as we look at long-term projects that we are doing in terms of new aircraft?

Dr. Wilson: Senator, you are 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 other things is procuring things on a tight time frame. I think the A-10 was procured on a very tight time frame. The F-16 was certainly tighter than some of the other aircraft that we built. And getting somebody as a program manager and saying, "All right, you are going to be in this assignment for 4 years and here is what we expect you to accomplish. We do not expect miracles. We do not want a 15-year program. We want tight turns, and then we will iterate and innovate after that." I think that generally has been more effective at getting capability out to the service in a cost-effective way.

Senator Shaheen: Thank you.

We had an interesting hearing yesterday in the Emerging Threats Subcommittee. One of the presenters talked about
the new challenges of the hybrid warfare, cyber warfare that
we are facing, and that we are not doing enough within our
military to develop ways to address that, that we are very
focused on conventional warfare and that we are not focused
enough on the unconventional warfare, which is much of what
we are facing today.

So I appreciate that we are still going to need the
role of the Air Force, but what should the Air Force be
looking at as you all are thinking about this unconventional
warfare challenge that we are all facing?

Dr. Wilson: Senator, when people say unconventional
warfare, sometimes they really mean guerrilla warfare, but I
think you are talking about cyber and --

Senator Shaheen: I am actually talking about a
combination. I am talking about cyber. I am talking about
the kind of efforts that we saw in Ukraine and Georgia, to
some extent. I am talking about what we are seeing with
Russia.

So what else should we be thinking about?

Dr. Wilson: Senator, we need to be thinking about the
full range of potential conflicts, all the way 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
terrorists or insurgents to achieve their political
objectives. But we need to be able to pay both offense and
defense in all of those realms.

Senator Shaheen: I am glad to hear that, because right
now, I do not think we have a strategy. And we are playing
defense, and we are not playing much offense.

So thank you. I look forward to working with you.

Dr. Wilson: Thank you.

Chairman McCain: Dr. Wilson, I just want to mention to
you that one of the enduring frustrations, a source of anger
and discontent in this committee and amongst the American
taxpayers, is cost overruns and the way we do business and
acquire weapons systems.

I was just looking at, in 2001, where there was a
proposal for an F-35 that was going to cost $233 billion,
and we were going to build 2,800 of them. Today, they cost
$391 billion and about 400 less. The first trillion-dollar
weapons system in history. $400,000 for a helmet. Stuff
you cannot make up.

So we have tried to make some changes, and have in the
acquisition system here in the Armed Services Committee.
But I have to tell you, we have not gotten a lot of
cooperation from the Department of Defense.

We have made changes such as separating AT&L into two
different divisions. We got nothing but resistance.

So I agree with all of 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 weapons system, then it is hard for us to make a case for more funds to defend the Nation.

So there are 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 are having cost overruns associated with the tanker.

It goes on and on, and it has to stop. And we are pretty well aware that we can do a lot, but we cannot do everything unless we have a cooperative environment over where you work or will be working.

So I hope that, if not the highest, the next 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 these scandals and calling people to account.

But the fact is, in reality, back on the F-35, to my knowledge, not a single person has been held accountable for a $160 billion cost overrun -- not a single person that I know of, certainly not the manufacturer who comes before
this committee and tells us what a great job they are doing.

So there either has to be accountability and truth in contracting, and the American taxpayers get their investment, or we are going to face further crises, such as we are facing now.

One of the reasons why we have not got enough money is because we have wasted it. We have wasted so much, so many billions of dollars, time after time after 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?

Senator Reed: 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.

[The information referred to follows:]

[COMMITTEE INSERT]
Senator Reed: Thank you, Dr. Wilson.

Thank you, Mr. Chairman.

[Whereupon, at 11:38 a.m., the hearing was adjourned.]