

WELSH: Thank you Mr. Chairman, Ranking Member Reed and members of the committee. It's always an honor to be here. It's a special honor to sit before you today with three people I consider to be friends, mentors and literally heroes.

My pride in our Air Force and the airmen who give it life hasn't changed since the last time I appeared before you, but what has changed is that we are now the smallest Air Force we've ever been.

When we deployed to Operation Desert Storm --

MCCAIN: Repeat that again? Repeat that -- we are now the smallest Air Force --

WELSH: We are now the smallest Air Force we've ever been, Chairman. When we deployed to Operation Desert Storm in 1990, the Air Force had 188 fighter squadrons. Today, we have 54, and we're headed to 49 in the next couple of years. In 1990, there were 511,000 active duty airmen alone. Today, we have 200,000 fewer than that. And as those numbers came down, the operational tempo went up. Your Air Force is fully engaged.

All the excess capacity is gone, and now more than ever, we need a capable, fully ready force. We simply don't have a bench to go to, and we can't continue to cut the force structure as we've been doing for the last few years to pay the costs of readiness and modernization or we will risk being too small to succeed in the task we've already been given.

But BCA-level funding will force us do exactly that. We will have to consider divestiture of things like the KC-10 fleet, the U-2 fleet, the Global Hawk Block 40 fleet, and portions of our airborne command and control fleet. We'd also have to consider reducing our MQ-1 and MQ-9 fleet by up to 10 orbits. The real world impact of those choices on current U.S. military operations would be significant.

In the ISR mission alone, 50 percent of the high-altitude ISR missions being flown today would no longer be available. Commanders would lose 30 percent of their ability to collect intelligence and targeting data against moving vehicles on the battlefield. And we would lose a medium-altitude ISR force the size of the one doing such great work in Iraq and Syria today.

The Air Force would be even smaller and less able to do the things that we're routinely expected to do. Now, I'd like to say that that smaller Air Force would be more ready than it's ever been, but that's not the case.

24 years of combat operations have taken a toll. In F.Y. '14 and '15, we used the short-term funding relief of the Balanced Budget Act to target individual and unit readiness. And the readiness of our combat squadrons has improved over the past year. Today, just under 50 percent of those units are fully combat ready -- under 50 percent.

Sequestration would reverse that trend instantly. Just like in F.Y. '13, squadrons would be grounded, readiness rates would plummet, red and green flag training exercises would have to be canceled, weapons school classes would be limited, and our air crew members' frustration and their families' frustration will rise again, just as the major airlines begin a hiring push expected to target 20,000 pilots over the next 10 years.

We also have a broader readiness issue in that the infrastructure that produces combat capability over time -- things like training ranges, test ranges, space launch infrastructure, simulation infrastructure, nuclear infrastructure -- have all been intentionally underfunded over the last few years to focus spending on individual and unit readiness. That bill is now due. But BCA caps will make it impossible to pay. The casualty will be Air Force readiness and capability well into the future.

I'd also like to tell you that your smaller Air Force is younger and fresher than it's ever been, but that wouldn't be true, either. Our smaller aircraft fleet is also older than it's ever been.

If World War II's venerable B-17 Bomber had flown in the first Gulf War, it would have been younger than the B-52, the KC-135 and the U-2 are today.

We currently have 12 fleets -- 12 fleets of airplanes that qualify for antique license plates in the state of Virginia. We must modernize our Air Force. We want to work with you to do it within our top line. It certainly won't be easy, and it will require accepting prudent operational risk in some missionaries for a time. But the option of not modernizing really isn't an option at all.

Air Forces that fall behind technology fail. And joint forces that don't have the breadth of the air space and cyber capabilities that comprise modern air power will lose.

Speaking of winning and losing, at the BCA funding levels, the Air Force will no longer be able to meet the operational requirements of the Defense Strategic Guidance. We will not be able to simultaneously defeat an adversary, deny a second adversary and defend the homeland. And I don't think that's good for America, no matter what angle you look at it from.

We do need your help to be ready for today's fight, and still able to win in 2025 and beyond. I believe our airmen deserve it, I think our joint team needs it, and I certainly believe that our nation still expects that of us.

I'd like to offer my personal thanks to the members of this Committee for your dedicated support of airmen and their families, and I look forward to your questions.