

# United States Senate

WASHINGTON, DC 20510

April 17, 2013

The Honorable Chuck Hagel  
U.S. Department of Defense  
1000 Defense Pentagon  
Washington, DC 20301-1000

Dear Secretary Hagel:

Thank you for your response to our March 28, 2013 letter in which we urged you to use the flexibility afforded to you in the Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6) to minimize the furloughs of Department of Defense (DoD) personnel or to avoid them altogether. We appreciate your announcement that the maximum number of days that DoD civilians may be furloughed has decreased from 22 to 14 days for the remainder of the fiscal year as a result of the passage of this bill, which we both supported.

As we stated in our first letter, the costs of furloughs are real, and it would be a mistake to overlook these costs. We understand that the Department of the Navy, the National Guard Bureau, and some defense components of the Intelligence Community have all reached the same or similar conclusions and have plans to meet their budget targets in fiscal year 2013 while avoiding furloughs. For example, in operations as diverse as ship repairs at Navy public shipyards to the deployment preparation of National Guard units, furloughs could cause more harm than any cost savings reaped from them. The National Guard's 53,000 military technicians, more than half the Guard's full-time force, are the effective equivalent of the uniformed personnel in the Active Duty component that you have already exempted from budget cuts, which is one reason why the National Guard Bureau would prefer to find budget savings from other sources to protect dual-status technicians.

In spite of this strong evidence, we understand that one course of action remaining under consideration would require all DoD agencies and components to implement identical across-the-board furloughs, even if the military services or DoD components have identified more cost-efficient and effective ways to eliminate the readiness budget shortfalls for the remainder of fiscal year 2013. According to a DoD Comptroller budget briefing provided to the Appropriations Committee last week, an across-the-board approach to furloughs would be based upon principles of consistency and fairness, in part because there are some places, such as the Pentagon in Washington, where multi-force workforces are co-located. We also understand there may be some concerns regarding potential legal action if furloughs are not equitable across every military service and DoD component.

While we appreciate these concerns, we strongly believe there will be equal or greater morale issues and potential legal actions if DoD components are forced to implement automatic, across-the-board furloughs that can be avoided in part based upon plans developed and recommended by each entity's leadership to your office. According to the International Federation of Professional & Technical Engineers, any potential legal action by employees

regarding furloughs would center on equality of treatment among management and non-management workers at particular locations, not on whether certain DoD components proceed with executing budget plans for fiscal year 2013 that avoid furloughs altogether.

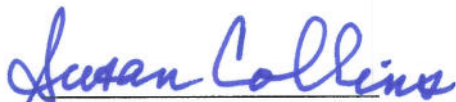
A key goal of the FY13 DoD appropriations bill passed by Congress was to provide sufficient authority for the Department to make smart budget decisions that are tailored to the unique requirements and budget realities of each military service. It is our position that the most consistent and fair approach to furloughs would be to allow each DoD component to maximize its state of readiness. If the Department of the Navy or any other DoD component has determined that the costs of furloughs to its readiness and budgets are greater than the savings they would produce, they should be able to avoid them. If you were to require them to implement furloughs any way, readiness will be hurt and costs will undoubtedly increase.

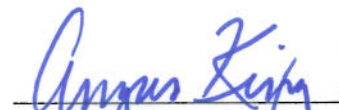
We also urge you to ask each of the DoD components that have not already done so, including any of the military services or DoD agencies such as the Defense Finance and Accounting Service, to redouble their efforts to scrutinize their fiscal year 2013 budget execution plans to find ways to eliminate or substantially reduce the need for furloughs.

Finally, we would be remiss if we did not express concern that some of the furloughs may not be necessary if the Administration would request additional funding for greater than expected costs of the conflict in Afghanistan during fiscal year 2013. According to the DoD Comptroller briefing provided to the Appropriations Committee, half of the shortfalls in military readiness budget accounts in fiscal year 2013 are the result of greater than expected costs for operations in Afghanistan, not sequestration.

We appreciate the fact that the DoD has submitted an estimate for the Overseas Contingency Operations (OCO) budget with the last several budget requests. The intent of this process is to increase transparency and provide a rough-order-of-magnitude estimate of the OCO budget, not to establish a budgetary strait-jacket that requires the Administration to borrow from the base Department of Defense budget if the costs of operations exceed the original estimate. If the conflict in Afghanistan is costing more than expected for fiscal year 2013, we stand ready to consider such a supplemental request so you do not have to borrow from the resources provided in DoD's base budget. The base budget underpins the readiness of our military, and we must not allow unexpected costs in Afghanistan to harm the readiness of our military to deter and respond to conflict anywhere else it may arise.

Sincerely,

  
Susan M. Collins  
United States Senator

  
Angus S. King, Jr.  
United States Senator