



## HOUSE ARMED SERVICES COMMITTEE DUNCAN HUNTER – CHAIRMAN

### *PRESS RELEASE*

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### **New Congressionally-Mandated Reporting Requirement Highlights Dramatic Cost Increases in 36 Major Weapons Systems**

**Washington, D.C.** --- U.S. House Armed Services Committee Chairman Duncan Hunter (R-CA) today commented on the Department of Defense's newly-released quarterly Selected Acquisition Report (SAR) which highlights escalating cost growth in 36 major defense systems. The new reporting requirement was mandated by Congress in the Fiscal Year 2006 National Defense Authorization Act as part of a comprehensive package of reforms.

“These are good reforms to have in place for American taxpayers. We now have warning lights in the system to show when costs are escalating rapidly. This gives the committee a basis to analyze the true costs of programs,” said Hunter.

In response to the increasing costs of major weapons systems, Congress mandated additional reporting requirements on the Department of Defense to add transparency to the acquisition process. The Department of Defense must now report cost growth for major defense systems in relation to revised cost estimates as well as original cost estimates. In order to better analyze cost growth, Congress created two new thresholds for measuring cost growth:

- The cost growth is deemed “critical” if a major weapons system exceeds 25% of the current baseline estimate or 50% of the original estimate. Twenty-five major weapons programs were identified as experiencing “critical” cost growth in the Department of Defense's recent SAR, including the following:
  - AEHF (Advanced Extremely High Frequency)
  - AMRAAM (Advanced Medium Range Air to Air Missile)
  - ASDS (Advanced SEAL Delivery System)
  - Black Hawk Upgrade
  - Bradley Upgrade
  - C-17A
  - CH-47F
  - EELV (Evolved Expendable Launch Vehicle)

- F-22A
  - FCS (Future Combat Systems)
  - FMTV (Family of Medium Tactical Vehicles)
  - Global Hawk
  - GMLRS (Guided Multiple Launch Rocket System)
  - Javelin
  - JSOW (Joint Standoff Weapon)
  - H-1 Upgrades
  - Longbow Apache
  - LPD 17
  - MH-60R
  - Minuteman III GRP (Guidance Replacement Program)
  - NPOESS (National Polar-Orbiting Operational Environmental Satellite System)
  - SBIRS (Spaced Based Infrared Radar System) High
  - T-45TS
  - Trident II Missile
  - V-22
- The cost growth is deemed “significant” if a major weapons system exceeds 15% of the current baseline estimate or 30% of the original baseline estimate. In addition to the 25 programs identified as experiencing “critical” cost growth, 11 additional programs were identified as experiencing “significant” cost growth, including the following:
- ATIRCM/CMWS (Advanced Threat Infrared Countermeasure/Common Missile Warning System)
  - C-130 AMP (Avionics Modernization Program)
  - Chem Demil (Chemical Demilitarization) CMA (Chemical Materials Agency)
  - Chem Demil CMA Newport
  - EFV (Expeditionary Fighting Vehicle)
  - F/A-18
  - JASSM (Joint Air-to-Surface Standoff Missile)
  - JPATS (Joint Primary Aircraft Training System)
  - JSF (Joint Strike Fighter)
  - MH-60S
  - SSN 774 (Virginia Class)

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