



September 5, 2007

The Honorable Tom Davis
Co-Chair
National Guard and Reserve Component Caucus
U.S. House of Representatives
Washington, D.C. 20510

Dear Mr. Davis,

The Air Force is implementing a new program that presents the Air National Guard (ANG) with the most substantive threat since the last rounds of the Base Realignment and Closure Act. This program, known as the Centralized Asset Management (CAM), will transfer billions of Operations and Maintenance (O&M) funds in the current and future years from the ANG to Headquarters Air Force Material Command (HQ AFMC). These O&M funds will be centrally managed in a variety of Planning, Programming, Budgeting, and Execution functions and will remove over 45% from the entire budget of the ANG.

Active lead commands, such as Air Mobility Command, Air Combat Command, and Air Education and Training Command, serve as the primary agents to HQ AFMC for input to the Program Objective Memorandum. This will subordinate ANG priorities, especially those dealing with state mission requirements unfamiliar to the Air Force. ANG units in every state depend on the flexibility of O&M funds to reprogram funds to keep under-funded programs on track such as civilian pay, flying hours (C-21 & JSTARS), flight simulators, aircraft repairs (C-130E wing box), and more.

The Senate Armed Services Committee (SASC) included language in S.1547-FY08 National Defense Authorization Act (NDAA) stating their concerns relating to the CAM program, and recommended the transfer of \$400 million ANG O&M funding back to the original ANG accounts.

I strongly urge your support of the Senate CAM provision and for the House Armed Services Committee to recede to the SASC position in conference. I also urge the Senate Appropriations Committee for Defense and the House Appropriations Committee for Defense to support the SASC language and retain the current method of O&M funding to assure the ANG has the flexibility to support under-funded programs and maintain readiness levels. And finally, I would suggest that this issue reinforces the broader need for swift passage of the National Guard Empowerment Act.

Sincerely,

A handwritten signature in black ink, appearing to read "Francis D. Vavala".

Francis D. Vavala
Major General
President