



April 19, 2016

Dear Member of Congress:

As you consider the Pentagon’s budget request for fiscal year 2017, the undersigned groups appreciate your consideration of the following options for savings to comply with the spending caps put in place by the Bipartisan Budget Act of 2015. Keeping the Fiscal Year 2017 budget in line with the caps will help the Department of Defense avoid sequestration and save valuable resources in an era of budgetary constraint. We recommend that in implementing these options, the Overseas Contingency Operations (OCO) account for Fiscal Year 2017 be budgeted at no greater than the president’s requested amount of \$59 billion and reject amendments to add additional funds to the OCO account.

<b>Proposal</b>	<b>Potential FY17 Savings <a href="#">[1]</a></b>
Cancel M1 Tank Upgrades	\$558.7 million

Over 7,500 M1 tank variants have been built for the U.S. Army and Marines since 1990, more than enough to meet current and projected needs. ([Production number from Federation for American Scientists](#))

<b>Proposal</b>	<b>Potential FY17 Savings</b>
Cancel or Pause the Littoral Combat Ship	\$1,598.9 million

The LCS is too lightly armored to survive in a combat environment, and has doubled in price relative to initial estimates. It is an unnecessary drag on the Navy’s shipbuilding budget.

**Proposal**

Cancel JLENS

**Potential FY17 Savings**

\$45.5 million

The Joint Land Attack Cruise Missile Defense Elevated Netted Sensor System (JLENS) is supposed to track flying objects, but tests have found that it cannot consistently track high priority targets or distinguish friendly aircraft from potential threats.

**Proposal**

Cancel Air Launched Cruise Missile Follow-On (LRSO)

**Potential FY17 Savings**

\$315.9 million

The Long Range Standoff (LRSO) Weapon does not add to the United States' already robust strategic deterrent. Rather, it performs a redundant mission that can be accomplished with the standoff capability of ICBMs or SLBMs, the new penetrating bomber, or the advanced extended range conventional cruise missile.

**Proposal**

Reduce service contracting by 15%

**Potential FY17 Savings**

\$22,354.5 million

Service contracting has contributed to an ever-expanding "shadow government" that costs hundreds of millions of dollars annually. A study by the Project On Government Oversight found the average annual contractor billable rate was much more than the average annual full compensation for federal employees performing comparable services. Judicious cuts to service contracts would increase efficiency and the effectiveness of the Department of Defense.

**Proposal**

Cancel the F-35/Buy a mix of F-15E Strike Eagles, F-16s, F/A-18E/F Super Hornets

**Potential FY17 Savings**\$4,431 million<sup>[2]</sup>

The Joint Strike Fighter is unaffordable, and testing has shown that it cannot perform as well as the legacy systems it is designed to replace.

**Proposal**

Defense Business Board Moderate Efficiency Savings Scenario

**Potential FY17 Savings**\$9,170.3 million<sup>[3]</sup>

Modest early retirement option and limited backfill of retirements and attrition of the Defense Department's work force could result in significant savings.

**Proposal**

Cancel or Pause the GBSB

**Potential FY17 Savings**

\$113.9 million

The current fleet of intercontinental ballistic missiles (ICBM) will be operational until 2030 due to a \$7 billion life extension program now underway. Given uncertainty over future force requirements and deterrence needs, development of the ICBM follow on, or ground based strategic deterrent (GBSD) is premature.

**Total: \$38.6 billion**

Sincerely,

Campaign for Liberty  
Center for Foreign and Defense Policy  
Center for International Policy  
Council for a Livable World  
Downsize DC  
Friends Committee on National Legislation  
London Center  
National Priorities Project  
National Taxpayers Union  
Niskanen Center  
Peace Action  
Project on Government Oversight  
Republican Liberty Caucus  
Taxpayer Protection Alliance  
Taxpayers for Common Sense  
Win Without War  
Women's Action for New Directions

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[1] Unless otherwise noted, the cost savings figures for weapons systems are from the FY 2017 edition of the Pentagon's Program Acquisition Costs by Weapon System document

[2]Methodology: F-15E in calendar year 2016 would cost \$100.9 million each. F-16 in calendar year 2016 would cost \$31.8 million each. F/A-18E/F in calendar year 2016 would cost \$71.8 million each.

AIR FORCE: Air Force plans to buy 43 F-35s in FY17 for a total cost of \$4.982 billion. Using a standard high/low mix of 13 F-15s and 30 F-16s as replacements. Total cost of replacement aircraft: \$2.266 billion. Cost savings: \$2.626 billion

MARINE CORPS: Marine Corps plans to buy 16 F-35s in FY17 for a total cost of \$2.27 billion. Total cost of replacement aircraft: \$1.149 billion. Cost savings: \$1.121 billion

NAVY: Navy plans to buy 4 F-35s at a cost of \$971.5 million. Total cost of replacement aircraft: \$287.2 million. Cost savings: \$684.3 million

[3] [Excludes contracts, and adjusted for inflation.](#)