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PREPARED OPENING STATEMENT OF SENATE BUDGET COMMITTEE CHAIRMAN JUDD GREGG

HEARING ON ADMINISTRATION'S FY 2007 FEDERAL BUDGET WITH GORDON ENGLAND, DEPUTY SECRETARY, DEPARTMENT OF DEFENSE; ADMIRAL EDMUND P. GIAMBASTIANI, JR., VICE CHAIRMAN, JOINT CHIEFS OF STAFF, DEPARTMENT OF DEFENSE; AND TINA JONAS, UNDER SECRETARY OF DEFENSE (COMPTROLLER)

Good morning and thank you for joining us today. Today's hearing will focus on the Fiscal Year 2007 budget request of the Department of Defense. We are pleased to have as our witnesses Deputy Secretary Gordon England, Admiral Edmund Giambastiani, Jr., Vice Chairman of the Joint Chiefs of Staff, and Tina Jonas, the Department's Comptroller.

America has been engaged in the Global War on Terrorism for more than four years; in that time, the budget of the Department of Defense has grown by more than 40 percent. It is our obligation to review that budget.

We are at a critical juncture. The War on Terrorism certainly commands our full support. At the same time, we are all concerned about the sectarian violence in Iraq that has followed the terrible atrocity of the bombing of the shrine at Samarra. I understand that Admiral Giambastiani has recently returned from Iraq, and I am sure the Committee will benefit from his insights.

But just as we strongly support the War on Terrorism, we must also recognize that there is no such thing as an unlimited budget – difficult choices must be made. The President's request for 2007 calls for a 6.9 percent increase in defense. That is a substantial rise, particularly in view of the flat budget requests for other departments.

Almost simultaneously, the executive branch has submitted a \$70 billion supplemental request for 2006. That is in addition to \$50 billion we passed just last December. \$120 billion in supplemental spending in one year is a very large amount. In addition, the Department will be requesting \$50 billion in 2007— above and beyond

its regular request. We have an obligation to ensure all these funds are efficiently and effectively used.

I thank the witnesses for taking the time to meet with us today and discuss the Department's budget in these very challenging times, and I look forward to their testimony.