

Washington, DC - Overcoming an array of obstacles, Congressman Maurice Hinchey (D-NY) today secured final House approval of \$100 million in the fiscal year 2010 defense appropriations bill for Lockheed Martin to continue developing the technology for a new presidential helicopter fleet. Hinchey, who is a member of the House Appropriations Subcommittee on Defense, had secured \$485.2 million for the presidential helicopter program when the House passed its version of the bill in July, but the Senate failed to include any money for the project. With the House and Senate having different funding provisions, Hinchey worked tirelessly to ensure that some level of funding for the presidential helicopter would be included in the final, reconciled version of the bill, ultimately securing \$100 million for the project. Now that the House has approved the funds, the bill moves to the Senate where it is expected to be taken up and approved in the coming days.

"We have overcome extraordinary odds to reach this moment," Hinchey said. "While I certainly would have preferred the House level of funding to be in the final version of the bill, the \$100 million we approved today will continue the development of a new fleet of presidential helicopters, build on the \$1.1 billion already spent on systems work, and ensure that approximately 250 people in the Southern Tier of New York don't lose their jobs. I will continue to press the Pentagon and White House very hard to complete the development of the VH-71 helicopter because doing so is in the best interests of the American taxpayers and the safety of our president. A modified VH-71 helicopter fleet would maximize the significant investment already made in developing the helicopter while stripping away billions in cost overruns that were allowed to develop under the previous administration."

The \$100 million that Hinchey secured in the final version of the fiscal year 2010 Defense Appropriations bill will save approximately 250 jobs at Lockheed Martin's plant in Owego, New York. The funds will allow the company to continue developing communications equipment and computer software that will be used in the next fleet of presidential helicopter. Earlier this year, the Pentagon cancelled the two-phased VH-71 program because it claimed the project became too expensive, but Hinchey and others later learned from internal Navy documents that the Pentagon's new plan for a presidential helicopter program would cost up to three times as much as Hinchey's compromise solution and take 12 years longer to complete.

The Navy is continuing to review its options for a new presidential helicopter fleet, including a modified version of Lockheed Martin's VH-71. Hinchey is still advocating a compromise plan for the Pentagon's consideration that would eventually produce an expanded fleet of VH-71 Increment 1 helicopters, which are already so far along in development that they have flown more than 800 hours of test flights. That expanded fleet could be delivered within or close to the original contract's budget. Regardless, the \$100 million included in the bill approved today

will be used for technology that can be used in the next fleet of presidential helicopters, regardless of which company constructs the actual helicopters.

"This \$100 million allocation will continue work at Lockheed Martin's Owego branch and position the company to continue its involvement as the lead company involved in producing the next presidential helicopter fleet," Hinchey said. "While it made no sense for the Pentagon to have cancelled the VH-71 earlier this year, it can still do the right thing by deciding to go with a modified VH-71 program, which would make the best use of the taxpayer money already invested in the program while also producing a new fleet in the timeliest fashion possible. This modified proposal is something I've been advocating since March and it provides a way for the Pentagon to reject the original contract while embracing a responsible alternative."

Hinchey secured the \$485.2 million in the House version of the bill to continue the development of the far less costly first phase of the presidential helicopter program, known as VH-71A or Increment 1, so that the \$3.3 billion of taxpayer money already invested in the project would not be wasted. The funding would not have been used for the more costly phase known as Increment 2, which is the aspect of the program that has come under fire. The \$100 million that he secured in the House's agreement with the Senate will be used for broader presidential helicopter work.

"The continued development of Increment 1 would avert a misguided plan to start over from scratch with a more expensive helicopter program that would also force the continued use of the current, outdated presidential helicopter fleet, which was designed in the 1950's and constructed in the 1970's. A new fleet of VH-71 Increment 1 helicopters would provide the White House with state-of-the-art helicopters that would keep this and future presidents safe and it would do so in the most cost-effective way possible."

In order to help Senate leaders agree to include \$100 million for Lockheed Martin to continue developing technology for a new presidential helicopter fleet, Hinchey laid out a comprehensive argument for why doing so would save taxpayer money and help ensure the safety of this and future presidents. In pressing his case with Senate leaders as well as various senior White House and Pentagon officials on an almost daily basis, Hinchey refuted various false claims about the cost of the presidential helicopter. According to the Congressional Research Service, internal Navy documents show that the proposed presidential helicopter program to replace the VH-71 program would cost \$15-22 billion when factoring in the \$4 billion that would be wasted on the canceled VH-71 program (\$3.3 billion already spent on the program as well as early termination fees that the Pentagon would owe Lockheed Martin) and \$1.2 billion needed to keep the fleet currently used by the White House operational. The \$100 million that the House

approved today would help ensure that at least \$1.1 billion of the \$3.3 billion already spent on systems work, would not be wasted. The entire \$3.3 billion won't be wasted if the Pentagon decides to move forward with a modified version of the VH-71.

A separate set of internal Navy documents reveal that the Pentagon's new presidential helicopter plans call for aircraft that have nearly identical capabilities as the VH-71 program while taking 12 years longer to deliver. That delay in delivery would force the Navy to perform another Service Life Extension Program (SLEP) on the current in-service fleet in order to keep it operating while the Pentagon waits for the delivery of the new helicopters. That life extension would cost an additional \$1.2 billion and would unnecessarily create, in the Pentagon's own words, a level of high operational risk and uncertainty. Hinchey is continuing to make those points as he urges the Pentagon to choose a modified VH-71 since it could be delivered to the White House much quicker than any other option.

Hinchey worked closely with his colleagues in the House, particularly House Appropriations Subcommittee on Defense Chairman John Murtha (D-PA), to have the funding included in the House version of the fiscal year 2010 defense appropriations bill that would effectively implement the proposed plan to expand Increment 1.

"I am extremely grateful for the courageous leadership demonstrated by Chairman Murtha who fought aggressively to continue funding the nearly five year-old presidential helicopter program because it was the right thing to do," Hinchey said. "It's taken a lot of hard work to reach this moment and I can safely say we wouldn't have achieved the \$100 million in the final bill had it not been for Chairman Murtha's steadfast determination to continue this project."

As part of his ten-month long effort to continue funding the presidential helicopter program, Hinchey repeatedly highlighted the dramatic need for a new presidential helicopter fleet. The current fleet of helicopters, which is being stripped down to reduce weight due to safety concerns, has technology that is more than a half century old and was constructed in the 1970's. It also lacks the modern communications equipment needed for the president to securely communicate with senior staff and administration officials on the ground. Further, the current fleet of helicopters has only 10 seats. Between the first family and a crew of five that includes Secret Service agents, there is no room on the fleet currently being used for senior staff to travel with the president, which is critical in coordinating information and instructions during national emergencies. The Increment 1 version of the VH-71 helicopter can seat 14 passengers, which would enable senior White House staff members to travel with the president and his family.

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