

United States Senate

WASHINGTON, DC 20510

June 29, 2012

The Honorable Leon E. Panetta
Secretary of Defense
1000 Defense Pentagon
Washington, D.C. 20301

Dear Mr. Secretary:

The president's Fiscal Year 2013 budget request for National Nuclear Security Administration (NNSA) Weapons Activities was \$370 million short of the amount prescribed in the report required by Section 1251 of the National Defense Authorization Act for Fiscal Year 2010. In addition to delaying the life-extension programs for the W-76 and B-61 weapons, the FY13 request indefinitely defers construction of the Chemistry and Metallurgy Research Replacement Nuclear Facility (CMRR-NF) – a plutonium handling facility that is a key part of the nuclear stockpile stewardship program and necessary to meet DoD pit requirements -- for at least five years.

While the House and Senate Energy and Water Appropriations Subcommittees supported the president's request, both the House-passed and Senate Armed Services Committee-reported versions of the National Defense Authorization Act for Fiscal Year 2013 include provisions and funding authorization that direct the administration to make CMRR-NF operational by 2024. The House bill also prohibits NNSA from expending funds in support of the administration's alternative plutonium strategy.

The February 2, 2011, message from the President to the Senate on the New START Treaty stated that the President intends to “(a) accelerate to the extent possible, the design and engineering phase of the Chemistry and Metallurgy Research Replacement (CMRR) building and the Uranium Processing Facility (UPF); and (b) request full funding, including on a multi-year basis as appropriate, for the CMRR building and the UPF upon completion of the design and engineering phase for such facilities.” We believe that the linkage between nuclear modernization and the New START Treaty was clearly defined at the time of ratification and remains so today. Thus, we are concerned about the impact that failing to fulfill this critical commitment could have on future treaties the Senate may be asked to consider.

The president's FY13 budget request for NNSA weapons activities also failed to include several documents necessary to assess the administration's plans beyond next year, including NNSA's *Future Years Nuclear Security Program* (a five-year budget document required by legislation), an updated *Stockpile Stewardship Management Plan* (a 20-year plan that provides details about the size and modernization of the stockpile), and the congressionally mandated “1043” annual report (which replaces the 1251 plan, a 10-year estimate of modernization budget

requirements). We now understand these plans will not be completed until sometime this summer.

The Senate and House Armed Services Committees have shown that, despite the challenging fiscal environment, the national security imperative for CMRR-NF justifies the prioritization of this key modernization project. Both the SASC and HASC direct construction of CMRR-NF while prohibiting the expenditure of funds for the hastily conceived alternative approach, which could cost in excess of \$1 billion and does not meet DoD mission requirements. We believe that the administration should begin the necessary planning and include in the FY14 budget and beyond funding for CMRR-NF's completion.

The Department of Defense and NNSA are collectively responsible for maintaining the nuclear deterrent. We therefore urge you to work with the administration and NNSA to continue CMRR-NF design activities this year and build an out-year budget to support construction and operation by 2024, as this provision will likely be directed by the final version of the National Defense Authorization Act for FY13.

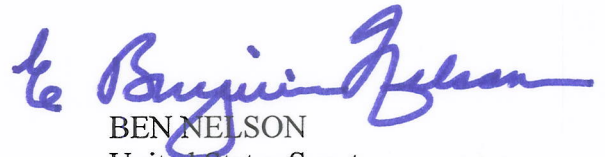
In addition to funding CMRR-NF in the out-year budgets, the administration will need to work with congressional appropriators to secure funding for CMRR-NF in FY13. The original need for CMRR-NF funding in FY13 was \$300 million. The Armed Services Committees authorize the use of remaining FY12 CMRR-NF funds in FY13 (about \$160 million). The House provided an additional \$100 million for CMRR-NF, while the Senate committee authorized an additional \$150 million in FY13 from within NNSA's budget. The Senate committee also gave the Secretary of Defense the authority to transfer up to \$150 million to NNSA for weapons activities in FY13 (in addition to the \$125 million authority for FY12), which could close the gap.

The current NNSA alternative strategy does not meet critical national defense mission requirements. Given the recent action by the House and the Senate Armed Services Committees, there is clear support for funding and for the administration's plan, as stated in the 1251 report, to build CMRR-NF and "ensure the United States can maintain a safe, secure, and effective arsenal over the long-term."

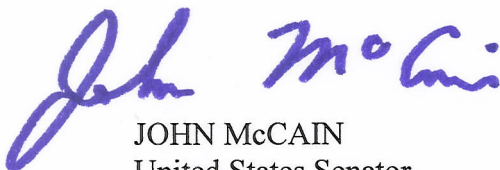
Sincerely,



JON KYL
United States Senator



BEN NELSON
United States Senator



JOHN MCCAIN
United States Senator



JOE LIEBERMAN
United States Senator



BOB CORKER
United States Senator



JOHNNY ISAKSON
United States Senator



JAMES M. INHOFE
United States Senator



KELLY AYOTTE
United States Senator

CC: Dr. Ashton Carter, Deputy Secretary of Defense
Dr. Frank Kendall, Under Secretary of Defense for Acquisition, Technology, and
Logistics
Dr. James Miller, Under Secretary of Defense for Policy
Admiral James Winnefeld, Jr., Vice Chairman of the Joint Chiefs of Staff
General Robert Kehler, Commander, U.S. STRATCOM
Mr. Thomas D'Agostino, Administrator, National Nuclear Security Administration