



The Honorable John P. Murtha
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House Defense Appropriations Subcommittee Begins Oversight Hearings

WASHINGTON, D.C. -- Congressman John P. Murtha, Chairman of the House Appropriations Subcommittee on Defense, announced today that the subcommittee has begun oversight hearings in advance of the Department of Defense's FY2009 budget request.

"The goal of these hearings is to restore accountability and oversight at the Department of Defense and to work with them to meet the needs of our troops and their families," said Murtha.

This morning, the subcommittee held a hearing on Army contracting and received testimony from Lieutenant General N. Ross Thompson, Military Deputy to the Assistant Secretary of the Army for Acquisition, Logistics and Technology and Mr. Daniel M. Quinn, Chief of Staff, United States Army Criminal Investigation Command.

The hearing focused on services contracted in combat theaters. The deployed Army contracts everything from transportation, to trash removal, to food service, to local security. This past fall, the Army began conducting an extensive review of thousands of contracts that were performed at the Army's Kuwait contracting center as allegations of fraud and corruption surfaced.

"The Army spends a lot of money on contracted services and we want to know how the contracts are made, how requirements are determined and how oversight is accomplished," said Murtha.

The Defense Department has cut in half its acquisition employees in recent years. Also during that time, contracted services increased significantly. The subcommittee has found that in 1994, civilian pay accounted for 8 percent and contracted personnel accounted for 17 percent of the Department of Defense budget. For 2008, civilian pay will account for 5.5 percent and contracted personnel will account for 27 percent of the Department of Defense budget.

“We are very concerned not only with the balance between federal employees and contracted personnel, but we are concerned about their oversight,” said Murtha.

The subcommittee is reviewing what the Army is doing to hire new personnel, to slow attrition rates, and to foster career development in Army contracting.

The subcommittee will also be holding hearings in the near future regarding military readiness, the state of the Air Force F-15 fleet, review of the Defense Health Program, and progress within the Joint IED Defeat Organization. Hearings regarding the FY09 budget request will begin in February.

Attached is the GAO report from today’s hearing.

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