





January 31, 2025

Dear President Trump,

We the undersigned organizations, dedicated to protecting taxpayer interests, write to thank you for your commitment to reining in government waste and inefficiency and for your commitment to strengthening America's military. We believe these are complementary goals.

As you know, a strong military requires strong leadership from the White House. It also requires an understanding that we must eliminate wasteful and antiquated programs and practices at the Pentagon if we hope to field the military of tomorrow. With these shared goals and understandings in mind, we submit for your consideration a list of opportunities for reducing wasteful and inefficient Pentagon spending. This is not a comprehensive list of potential cuts, rather, it is a list of key opportunities to address wasteful spending practices, which if seized can save taxpayers billions of dollars and help empower America with the strongest and most efficient military of our time.

### **Address Excess Basing Capacity**

U.S. national security strategies and force postures are regularly updated to respond to current threats, but the same cannot be said for the corresponding basing needs of the military. A 2017 Pentagon report found the U.S. has 19% excess basing capacity. The report noted, "Reality and common business sense dictate that infrastructure should be reconfigured to meet specific needs and changing threats."

The President can play a critical role in urging Congress to do the politically challenging but essential work of establishing another round of Base Realignment and Closure (BRAC). The last BRAC round, initiated under President Bush in 2005, resulted in annual taxpayer savings of approximately \$3.8 billion.<sup>2</sup> Nearly two decades later, reassessing the nation's basing needs is long overdue, and promises both taxpayer savings and national security benefits.

While closing domestic military bases generally requires a congressional BRAC process, the executive branch has more latitude to close overseas bases unilaterally. A previous BRAC resolution expressed that "the termination of military operations by the United States at military installations outside the United States should be accomplished at the discretion of the Secretary of Defense at the earliest opportunity." We urge you to work with the Secretary of Defense to

<sup>&</sup>lt;sup>1</sup> "Department of Defense Infrastructure Capacity." Department of Defense. October 2017. https://federalnewsnetwork.com/wp-content/uploads/2017/10/101717\_DoD\_BRAC\_Analysis.pdf

<sup>&</sup>lt;sup>2</sup> "Military Base Realignments and Closures: Updated Costs and Savings Estimates from BRAC 2005." U.S. Government Accountability Office. June 29, 2012. <a href="https://www.gao.gov/assets/gao-12-709r.pdf">https://www.gao.gov/assets/gao-12-709r.pdf</a>

<sup>&</sup>lt;sup>3</sup> "Title XXIX—Defense Base Closure and Realignments, Part B—Other Provisions Relating to Defense Base Closures and Realignments, Sec. 2921. Closure of Foreign Military Installations." PUBLIC LAW 101-510. Nov. 5, 1990. P. 335. <a href="https://www.congress.gov/101/statute/STATUTE-104/STATUTE-104-Pg1485.pdf">https://www.congress.gov/101/statute/STATUTE-104/STATUTE-104-Pg1485.pdf</a>

reassess excess basing capacity overseas and realign or close unnecessary facilities. While this process is best paired with a congressionally approved BRAC process for domestic bases, the executive branch can take unilateral action on overseas bases if Congress fails to act. Furthermore, the executive branch is empowered to close domestic military installations without congressional approval "if the President certifies to the Congress that such closure or realignment must be implemented for reasons of national security or a military emergency." In the event that Congress fails to approve a new BRAC process, as the nation's fiscal crisis imperils future funding for national security needs, the president could reasonably certify to Congress that the fiscal implications of failing to address excess basing capacity requires executive action for reasons of national security.

## Reclaim Presidential Authority Over the Pentagon Budget Request

Historically, the Pentagon budget request has been the purview of the Commander-in-Chief and the military's civilian leadership. However, in recent years, service branch leaders and combatant commanders have submitted "unfunded priority lists" to Congress—wish lists of spending items not included in the President's budget request.

This circumvention of presidential authority adds billions of dollars in unnecessary spending every year. In some cases, these lists are funded at the expense of priorities included in the President's budget request. Worse, Congress now requires military leaders to submit these extrabudgetary wish lists and is exploring similar requirements for other agencies like the State Department and the United States Agency for International Development (USAID).

As President, you can urge Congress to repeal these mandates and restore full control of the Pentagon's budget request to the President and the Secretary of Defense. You can also call on military service leaders and combatant commanders to submit empty lists, as some combatant commanders already have. Budgeting for national security requires a holistic assessment of our military needs, not a grab bag of pet projects for lawmakers. With your leadership, we can end this wasteful practice and restore fiscal discipline.

#### **Stop Pentagon Contractors from Failing Taxpayers**

On the campaign trail, you rightly called out Pentagon contractors for failing taxpayers. As President, you have the authority to address these problems. The recent settlement of multiple

<sup>&</sup>lt;sup>4</sup> "Sec. 2687 - Base closures and realignments." United States Code, 2006 Edition, Supplement 5, Title 10 - ARMED FORCES. Jan. 3, 2012. <a href="https://www.govinfo.gov/app/details/USCODE-2011-title10/USCODE-2011-title10-subtitle4-partIV-chap159-sec2687/summary">https://www.govinfo.gov/app/details/USCODE-2011-title10/USCODE-2011-title10-subtitle4-partIV-chap159-sec2687/summary</a>

<sup>&</sup>lt;sup>5</sup> Murphy, Gabe. "Pentagon Budgeting Shouldn't Look Like This." The Hill. June 1, 2024. https://thehill.com/opinion/congress-blog/4697854-pentagon-budgeting-shouldnt-look-like-this/

<sup>&</sup>lt;sup>6</sup> "Kaine & Young Introduce Bill to Empower State Department and USAID to Counter People's Republic of China, Other Threats." Tim Kaine, United States Senator from Virgina. July 31, 2024. https://www.kaine.senate.gov/press-releases/kaine-and-young-introduce-bill-to-empower-state-department-and-usaid-to-counter-peoples-republic-of-china-other-threats

<sup>&</sup>lt;sup>7</sup> Bertuca, Tony. "STRATCOM sends empty UPL to Congress." Inside Defense. April 11, 2024. https://insidedefense.com/daily-news/stratcom-sends-empty-upl-congress

cases against RTX (formerly Raytheon) demonstrated this authority.<sup>8</sup> While RTX was forced to pay nearly \$1 billion in criminal and civil penalties, the full extent of the problem remains unknown without further investigations and better access to cost and pricing data.

As President, you can direct the Department of Government Efficiency, Inspectors General, Justice Department, and others to more carefully and diligently follow up on credible reports of contract irregularities and work on reforms that are feasible through the executive branch. You can also urge Congress to pass legislation requiring contractors to provide certified cost and pricing data to contract officers before price agreements are finalized, rather than sharing the data after the fact or withholding it entirely. Bipartisan legislation like the "Best Price for Our Military Act," the "Stop Pentagon Price Gouging Act," and a House-passed Fair Pricing Oversight amendment to the National Defense Authorization Act (NDAA) offer good blueprints for congressional intervention and could be further strengthened with bold leadership from the White House. Contractor whistleblower protections such as those offered in S. 1524 this year would provide helpful information pipelines to Congress as well.

### **Rethink Fighter Jet Procurement**

During your first term as President, you saved taxpayers hundreds of millions of dollars by renegotiating the price of the F-35.<sup>10</sup> In your second term, you can save taxpayers even more by requesting fewer of these overpriced, underperforming jets, and by weighing in on plans for the next generation fighter.

The Air Force is currently reviewing its strategies and designs for its Next Generation Air Dominance program, while the Navy is forging ahead with parallel plans for its own sixth-generation fighter. Current plans for both programs include a manned fighter jet projected to cost up to three times the price of an F-35. These plans also propose pairing each manned fighter with five or more Collaborative Combat Aircraft (CCAs)—unmanned autonomous drones. The first question that needs to be asked is whether we need these sixth-generation fighter programs at all, or whether

<sup>&</sup>lt;sup>8</sup> "Raytheon Company to Pay Over \$950M in Connection with Defective Pricing, Foreign Bribery, and Export Control Schemes." Office of Public Affairs, U.S. Department of Justice. Oct. 16, 2024. https://www.justice.gov/opa/pr/raytheon-company-pay-over-950m-connection-defective-pricing-foreign-bribery-and-export

<sup>&</sup>lt;sup>9</sup> "H.R. 7253 – 118<sup>th</sup> Congress (2023-2024): Best Price for Our Military Act of 2024." Congress.gov, Library of Congress. Feb. 6, 2024. <a href="https://www.congress.gov/bill/118th-congress/house-bill/7253">https://www.congress.gov/bill/118th-congress.gov/bill/118th-congress.gov/bill/118th-congress.gov, Library of Congress. July 19, 2023. <a href="https://www.congress.gov/bill/118th-congress/senate-bill/2049">https://www.congress.gov/bill/118th-congress/senate-bill/2049</a>; "House Passes Rep. Doggett's Bipartisan NDAA Amendment to Ensure Fair Pricing in Defense Contracts." Lloyd Doggett, U.S. Representative. June 14, 2024. <a href="https://doggett.house.gov/media/press-releases/house-passes-rep-doggetts-bipartisan-ndaa-amendment-ensure-fair-pricing">https://doggett.house.gov/media/press-releases/house-passes-rep-doggetts-bipartisan-ndaa-amendment-ensure-fair-pricing</a>

<sup>&</sup>lt;sup>10</sup> Thompson, Loren. "Trump Drives Down Price Of F-35 Fighter 25% From Obama Level." Forbes. June 18, 2019. <a href="https://www.forbes.com/sites/lorenthompson/2019/06/17/trump-drives-down-price-of-f-35-fighter-25-from-obama-level/">https://www.forbes.com/sites/lorenthompson/2019/06/17/trump-drives-down-price-of-f-35-fighter-25-from-obama-level/</a>

attritable drones, long-range fires, and ground-based air defenses, among other existing capabilities, can achieve the same goals at a far lower cost.<sup>11</sup>

If the Air Force and Navy do proceed with their sixth-generation fighter programs, the next question is whether the fighter jet should be manned or unmanned. Opting for a manned fighter would be exceedingly costly and would likely lead to a smaller fleet. Opting for an unmanned fighter could cut costs significantly and reduce the risks faced by U.S. servicemembers—but it could also heighten risks related to deploying autonomous weapons systems, from greater vulnerability to cyber threats to the potential for AI to escalate the scale of conflict by expanding target lists. 12

As President, you can protect taxpayers from a new generation of fighter jet failures by questioning the strategic need for next-generation fighter programs, and by advocating for more affordable options should the programs move forward. If the programs continue, you can help ensure they avoid the mistakes of the F-35 program—such as overloading it with too many missions, which increased complexity and costs, and rushing production before fully developing and testing designs, which has severely limited the F-35's mission capable rates. Lastly, if these programs continue, you can hold Pentagon contractors accountable when prices rise and schedules slip to ensure taxpayers get the best deal possible.

#### **Reassess Land-Based Nuclear Arsenal**

As President, you have command over the most powerful weapons ever devised. Ballistic missile submarines under your command are virtually undetectable and collectively carry explosive power roughly 8,000 times greater than the atomic bomb dropped on Nagasaki. U.S. nuclear-armed bombers similarly possess destructive capabilities thousands of times greater than the Nagasaki bomb. 13

However, unlike undetectable submarines and bombers that can deploy on short notice, the land-based leg of the nuclear triad is becoming increasingly vulnerable to enemy attack due to advancements in hypersonic technologies. Yet, under President Biden, the U.S. has continued the Sentinel program, which seeks to replace the land-based leg of the triad with a new generation of intercontinental ballistic missiles. Making matters worse, the price tag for the Sentinel program is soaring. In January of 2024, the Pentagon reported the program was 37 percent over budget, triggering a critical breach of the Nunn-McCurdy Act and a mandatory review. But when the Pentagon concluded its review and certified the program to move forward, it announced the restructured program would now be 81 percent over budget.<sup>14</sup>

<sup>&</sup>lt;sup>11</sup> "Trouble on the Horizon: Pitfalls of the Sixth-Generation Fighter Aircraft." Taxpayers for Common Sense. Aug. 13, 2024. <a href="https://www.taxpayer.net/wp-content/uploads/2024/08/Trouble-on-the-Horizon-Pitfalls-of-the-Sixth-Generation-Fighter-Aircraft.pdf">https://www.taxpayer.net/wp-content/uploads/2024/08/Trouble-on-the-Horizon-Pitfalls-of-the-Sixth-Generation-Fighter-Aircraft.pdf</a>

<sup>&</sup>lt;sup>12</sup> Ibid.

<sup>&</sup>lt;sup>13</sup> "Ripe for Rescission: A Cost-Benefit Analysis of U.S. ICBMs." Taxpayers for Common Sense. May 30, 2024. https://www.taxpayer.net/wp-content/uploads/2024/05/5-30-24\_Ripe-for-Rescission-A-Cost-Benefit-Analysis-of-U.S.-ICBMs.pdf

<sup>&</sup>lt;sup>14</sup> "Pentagon Says Sentinel ICBM is Certifiable—at 81 Percent Over Budget It is Nuts." Taxpayers for Common Sense. July 11, 2024. <a href="https://www.taxpayer.net/national-security/pentagon-says-sentinel-icbm-is-certifiable-at-81-percent-over-budget-it-is-nuts/">https://www.taxpayer.net/national-security/pentagon-says-sentinel-icbm-is-certifiable-at-81-percent-over-budget-it-is-nuts/</a>

Rather than moving forward with this overbudget restructuring of the program, your administration could revisit the analysis of alternatives conducted during the Nunn-McCurdy review and release an unclassified version of the report to facilitate a robust public debate. Evidence suggests the Air Force's initial analysis of alternatives, conducted in 2014, may have been designed to favor the Sentinel over the option of life-extending the Minuteman III missiles. Pursuing Minuteman III life-extension, reducing the number of deployed ICBMs, or opting for a mix of Sentinel ICBMs and refurbished Minuteman III ICBMs are all options that could significantly reduce costs should the U.S. continue to invest in the increasingly vulnerable land-based leg of the nuclear triad. Alternatively, cancelling the program entirely would save taxpayers hundreds of billions of dollars over the course of the program's lifecycle.

# **Protect Taxpayers and National Security**

We strongly believe that national security and fiscal responsibility are inextricably linked. By addressing excess basing capacity, streamlining the Pentagon's budget process, holding contractors accountable, and identifying savings in military modernization programs, your administration can strengthen America's military while ensuring taxpayers receive the most bang for their buck. Thank you for considering these opportunities—we stand ready to work with your administration to help realize them.

Sincerely,

National Taxpayers Union Taxpayers for Common Sense Taxpayers Protection Alliance

CC:

Peter Hegseth Stephen Feinberg Michael Waltz Alex Wong Elon Musk

<sup>&</sup>lt;sup>15</sup> Korda, Matt. "Alternatives to the Ground-Based Strategic Deterrent." Federation of American Scientists. February 2021. <a href="https://fas.org/wp-content/uploads/2021/02/Alternatives-to-the-GBSD-Feb.-2021.pdf">https://fas.org/wp-content/uploads/2021/02/Alternatives-to-the-GBSD-Feb.-2021.pdf</a>