



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

JUN 02 2014

The Honorable Nikki R. Haley
Governor of South Carolina
Columbia, SC 29201

Dear Governor Haley:

Thank you for your February 28, 2014, letter to the President expressing your concern about proposed changes to the Army National Guard. I am responding on the President's behalf. I have also received a letter from 50 Adjutants General regarding a similar matter and have directed the Deputy Secretary of Defense to respond.

The Department of Defense has worked diligently to meet our Nation's pressing security needs despite declining budgets. In this strategic and budget environment, we recognized that we simply cannot afford the current size of the Army in all Components. We focused the reductions on force structure because we no longer size the military to support large, prolonged stability operations. Also, we must invest properly in modernization and readiness to maintain our technological edge and provide trained forces to rapidly respond to sudden conflicts, further reducing the funds available for force capacity. We must balance forces, readiness, and modernization, because if we retain too many units, we will be unable to adequately train and equip them, resulting in a hollow force which none of us desires.

The Department assessed the expected demands on the total military force and sought a solution that enhances the strengths of each Component while simultaneously fitting the force's cost within a smaller defense topline. Additionally, we realigned aviation assets between Components to significantly enhance the Army's capacity to meet operational demands with a smaller force. One key result is that the Governors will be equipped with more aircraft that can respond to natural disasters and other challenges in their states. The Commander, U.S. Northern Command, General Jacoby, recently noted in his testimony to Congress the distinct homeland support advantages of eliminating single mission Apache attack helicopters from the National Guard in favor of gaining over 100 dual-mission Blackhawk helicopters. Furthermore, in response to concerns raised by the National Guard, the President's Budget procures about 100 additional light utility helicopters for the aviation training base, thereby allowing the Guard to preserve their existing assets, which are highly effective in the homeland role.

In determining which capabilities to cut or preserve, I ensured the force can accomplish the missions underpinning our strategy – our nation depends on this. Our Total Army must continue to provide global peacetime presence, be prepared to conduct "no-notice" major combat operations, and support the homeland. As no single Army Component is the most cost effective across all of these missions, we applied reductions to each Component to properly manage risk. This outcome reflects extensive engagement among all Components, including the Army National Guard and the National Guard Bureau.

Given this process, I do not support an independent commission on the structure of the Army at this time. I am, however, committed to engaging the Council of Governors earlier in the defense decision-making process to share ideas and information. I believe this regular dialogue will improve our mutual defense interests.

I recognize that as Governor you have a solemn duty to represent the vital interests of your State. I am committed to working with you to balance our collective needs and resources to achieve the best possible outcome.

Thank you.

Sincerely,

A handwritten signature in blue ink, reading "Chuck HAGEL". The signature is stylized, with "Chuck" in a cursive script and "HAGEL" in a more formal, blocky capital style. A long horizontal line is drawn underneath the signature.