

June 19, 2003

## **Hill interest keen as Air Force bases to get Boeing tankers**

By Richard H.P. Sia, [CongressDaily](#)

The Air Force announced Wednesday that the 100 new KC-767 airborne refueling tankers it wants to lease from the Boeing Co. will be assigned to air wings based in Washington state, North Dakota and Florida.

The announcement not only helps protect their bases from the next military base-closing round in 2005, it allows the Air Force to shore up support from House and Senate appropriators as Congress prepares to review the service's controversial \$16 billion deal to lease modified Boeing 767 jets. Critics of the deal, led by Senate Commerce Chairman John McCain, R-Ariz., and several taxpayer watchdog groups, have branded it "corporate welfare" and "a profligate waste" of taxpayer dollars.

In posting a detailed "tanker roadmap" on its Web site, the Air Force said the first 32 KC-767 tankers would go to the 92nd Air Refueling Wing at Fairchild Air Force Base near Spokane, Wash. The first planes would be delivered in fiscal 2006 and a flight-training center—part of a \$200 million construction package—would be built at the base, which is Spokane County's largest employer.

The base is in the district of Republican Rep. George Nethercutt, who sits on the House Appropriations Committee with Rep. Norman Dicks, D-Wash., a longtime advocate for Boeing from the Seattle-Tacoma area. With Sen. Patty Murray, D-Wash., a member of the Senate Appropriations Committee, they will be counted on to help line up support for the tanker lease, which must be approved within 30 days of its formal submission by the Air Force.

Thirty-two other KC-767s would go to the 319th Air Refueling Wing at Grand Forks Air Force Base, N.D., by fiscal 2009 with \$176 million for related construction projects. One of the state's senators, Democratic Sen. Byron Dorgan, sits on the Senate Appropriations Committee. By fiscal 2011, 32 more tankers will be sent to the 6th Air Refueling Wing at MacDill Air Force Base near Tampa, Fla., with as much as \$200 million for construction associated with the new aircraft. The base is in a district

adjoining the one represented by House Appropriations Chairman C.W. (Bill) Young, R-Fla.

Four remaining tankers would serve as backup inventory for the fleet. Whether leased or bought, larger, more sophisticated airborne tankers are widely regarded as critical to sustaining the ability of the Air Force, Navy and Marines to launch air combat missions on short notice anywhere in the world.

For its part, Boeing has broadened its base of support for the lease agreement by announcing that it will create 2,300 jobs, including roughly 1,000 at its plant in Wichita, Kan., where the 767s built in Everett, Wash., will be outfitted as refueling tankers. Indeed, initial word that the Pentagon had approved a leasing deal was leaked last month by Sen. Pat Roberts, R-Kan., one of the plan's boosters on the Senate Armed Services Committee.

In addition, the Wichita-based 22nd Air Refueling Wing at McConnell Air Force Base will receive 15 more KC-135 "R model" tankers by 2011, enlarging its fleet to 72 planes and making it less likely to be closed.

Under the plan, Robins Air Force Base near Macon, Ga., will lose its refueling tankers beginning in 2010, but Air Force officials have assured lawmakers, including Sen. Saxby Chambliss, R-Ga., that four advanced command-and-control planes called MC2As will take their place.

The idea of a long-term lease has been controversial ever since the Air Force asked Congress for permission to negotiate a lease with Boeing to replace the military's aging, rusting fleet of KC-135E tankers. Federal budget rules usually favor buying over leasing as the least costly way to acquire military hardware, but Congress gave the green light to the service in its fiscal 2002 defense spending bill, apparently convinced a lease could deliver new tankers faster and with fewer risks to the Air Force than outright purchases.

Since then, McCain, who has consistently opposed a lease, has strengthened his case by citing analyses by the GAO, CBO and ex-OMB Director Mitch Daniels showing that a long-term lease would be significantly more expensive than a direct purchase of tanker aircraft or an overhaul and upgrade of the 127 KC-135Es. With Boeing struggling through an industry downturn and flagging sales of its 767 passenger jets, he has argued that the Air Force deal is really a Boeing "bailout."

"In all my years in Congress, I have never seen the security and fiduciary responsibilities of the federal government quite so nakedly subordinated to the interests of one defense manufacturer," McCain, whose committee will

soon hold a hearing on the deal, said recently. "Indeed, any objective analysis of the deal would conclude that the sole purpose served by this lease is to maximize the profits of Boeing, with the consequent underfunding of other defense priorities."

Meanwhile, House Armed Services Chairman Duncan Hunter, R-Calif., told *Bloomberg News* Wednesday that he needed more information to justify leasing the tankers, and planned to hold a hearing on the issue next Tuesday.