

**OFFICE OF THE UNDER SECRETARY OF DEFENSE
(COMPTROLLER)/CHIEF FINANCIAL OFFICER**

MAY 2023



DEFENSE FORCE STRUCTURE CHANGES EXHIBIT

**UNITED STATES DEPARTMENT OF DEFENSE
FISCAL YEAR 2024 BUDGET ESTIMATES**

**Department of Defense
Report on Force Structure Changes for the
Fiscal Year (FY) 2024 Defense Budget**

**Prepared in Response to the
FY 2023 Defense Appropriations Act
Conference Committee
Explanatory Statement**

May 2023

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The estimated cost of this report or study for the Department of Defense is approximately \$107,000. This includes \$200 in expenses and \$107,000 in DoD labor.

REFORMS, RE-PRIORITIZATIONS, AND RETIREMENTS EXHIBIT

From the Explanatory Statement for the Department of Defense Appropriations Bill, 2023:

The Committee recognizes the creation of the “Reforms, Reprioritizations, and Retirements” exhibit included in the Defense Operation and Maintenance Overview Book submitted with the fiscal year 2023 President’s budget request. While the information contained in the new exhibit on re-prioritizations (formerly “divestments”) is helpful, it was incomplete and submitted late in the Committee’s budget review process. This required the Committee to submit additional requests for information to gather budget level details, including budget line items. Responses to these additional requests were also not provided in a timely manner. The Committee finds these details necessary to connect the planning and programming phases of the military services’ budget formulation process to the budget justification materials submitted with each President’s budget request. The current justification materials lack adequate details necessary to review all of the funding adjustments associated with re-prioritizations. This detailed information should demonstrate the savings associated with divestment proposals by budget line item and would also enable the analysis of the cost implications of any changes to re-prioritizations as proposed. Absent this detailed budget information, the Committee has no basis on which to recommend adjustments for divestment proposals that are modified or rejected. The Committee directs the Under Secretary of Defense (Comptroller) to:

- (1) continue to refine the “Reforms, Re-prioritizations, and Retirements” budget exhibit to include budget line-item details and;*
- (2) submit the Defense Operation and Maintenance Overview Book at the same time as the detailed justification books.*

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Executive Summary

This exhibit addresses the FY 2023 Department of Defense (DoD) Appropriations Act requirement to submit a budget exhibit that includes the savings built into the budget for force structure retirements and divestments that were submitted with the FY 2024 President's Budget (PB24) request. Per the FY 2023 DoD Appropriations Act, and the FY 2022 National Defense Authorization Act (NDAA), each divestment and retirement submission must include: the name of the ship or aircraft, quantity, estimated cost avoidance savings (in thousands of dollars) by appropriation(s), budget line item, savings total by budget year and across the Future Years Defense Program (FYDP) savings, a cost estimate for the buyback of the platform if the divestment is denied, a justification for each item, and an explanation of any changes to the estimated savings from the FY 2023 President's Budget (PB23) request for each ship or aircraft.

Divestments, a subset of the Enabling Future Capabilities Transition (EFCT) Performance Improvement (PI) category, include ships and aircraft, and the cost avoidance savings associated with these divestments. The total quantity and savings from the divestments of ships and aircraft for FY 2024 include: 24 Army aircraft for a total savings of \$18.7 million; eight Navy ships for a total savings of \$102.0 million; 130 Navy aircraft for a total savings of \$425.5 million; 310 Air Force aircraft for a total savings of \$2,927.3 million; and 26 U.S. Special Operations Command (USSOCOM) aircraft for a total savings of \$36.1 million. The combined total for ships and aircraft divestments in FY 2024 is \$3,509.6 million.

Retirements include ships that the Services plan to retire in FY 2024, as they have reached the end-of-service life cycle. The total quantity and savings from these end-of-service life retirements for FY 2024 is three ships with no associated cost savings. The cost avoidance savings data from the ship and aircraft retirements has not been included in any other tables and/or chapters.

The table below shows the total quantity of ships and aircraft divestments and retirements and the associated cost savings:

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PB24 Divestment of Ships and Aircraft by Service

\$ in Thousands

Organization Title	Quantity	FY 2024
Department of the Army		
Divestment/Retirement of Ships	0	0
Divestment/Retirement of Aircraft	-24	-18,700
Department of the Army Total	-24	-18,700
Department of the Navy		
Divestment/Retirement of Ships	-11	-102,000
Divestment/Retirement of Aircraft	-130	-425,500
Department of the Navy Total	-141	-527,500
Department of the Air Force		
Divestment/Retirement of Ships	0	0
Divestment/Retirement of Aircraft	-310	-2,927,309
Department of the Air Force Total	-310	-2,927,309
SOCOM		
Divestment/Retirement of Ships	0	0
Divestment/Retirement of Aircraft	-26	-36,100
SOCOM Total	-26	-36,100
Grand Total	-501	-3,509,609

Army – The Army submitted 24 aircraft divestments for a total cost avoidance savings of \$18.7 million in PB24. These divestments are planned, end-of-life service cycle divestments, and any planned funding decreased to zero over the FYDP. The following is the detail information of the Army aircraft divestments and retirements for PB24:

Divestment of UH-60A, UH-60L in PB24 Description:

Divestment of UH60A, and UH-60L

Divestment / Retirement	QTY	APPN	Line Item	FY 2024 (\$K)	FY 2025 (\$K)	FY 2026 (\$K)	FY 2027 (\$K)	FY 2028 (\$K)	FYDP (\$K)
UH-60A	4	O&M, ARMY		-3,400	0	0	0	0	-3,400
UH-60L	20	O&M, ARMY		-15,300	0	0	0	0	-15,300
Grand Total	24			-18,700	0	0	0	0	-18,700

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Justification:

The Army plans to divest of multiple aircraft in FY 2024. Older Black Hawks (UH-60A/Ls) are scheduled for divestment through inter-service transfer, Foreign Military Sale, and/or GSA auction. Any resultant proceeds from the transactions are typically used to procure modernized replacement aircraft (i.e., UH-60M Black Hawks). Simultaneous divestment of legacy aircraft and fielding of new aircraft will significantly improve aircraft reliability, performance, and safety to respond to domestic and international missions.

Explanation of Changes (from PB23 Savings Projections):

No changes. There were no projected savings in PB23 for these aircraft. These are planned divestments and any sustainment and/or maintenance savings are being reinvested in fleet modernization efforts.

Navy – The Navy submitted eight ship divestment decommissions, Navy ship and aircraft divestments and retirements for PB24 include:

The Department of the Navy plans to divest eight ships for a total cost avoidance savings of \$102.0 million and retire three ships which have reached the end of their Expected Service Life (ESL) and have no estimated cost avoidance savings. Previously, the stated cost avoidance savings for Navy ship divestments included all previous budget submission savings for a total of \$633.2 million; however, this has been updated for PB24 to reflect current identified cost avoidance savings of \$102.0 million. The Navy submitted 130 aircraft divestments for a total cost avoidance savings of \$425.5 million in FY 2024.

Ships Being Retired at ESL:

The Navy will decommission three ships in FY 2024 that have reached ESL. There are no savings associated with the retirement of these ships.

Ship	Age (Years)	ESL (Years)
USS Antietam (CG 54)	37	35
USS Leyte Gulf (CG 55)	37	35
USS San Juan (SSN 751)	36	33

Ships Being Retired Prior to ESL:

The Navy will divest the following eight ships in FY 2024 prior to reaching ESL. Previous Navy budget requests have included plans to divest all eight ships. The Navy is re-submitting the request to divest four ships that Congress denied in FY 2023. This year's

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submission requests to accelerate the planned divestment of one ship. The request also includes three ships the Navy previously identified as planned FY 2024 divestments.

The table below identifies the ships, their age, their expected ESL, the fiscal year in which the Navy submitted the divestment request, and the planned divestment year.

Ship	Age (Years) in 2024	ESL (Years)	When Submitted	Initial Requested Retirement	Current Requested Retirement
FY 2023 Divestment Requests Denied					
USS Vicksburg (CG 69)	32	35	PB23	FY 2023	FY 2024
USS Germantown (LSD 42)	38	40	PB22	FY 2023	FY 2024
USS Gunston Hall (LSD 44)	35	40	PB22	FY 2023	FY 2024
USS Tortuga (LSD 46)	34	40	PB23	FY 2023	FY 2024
Accelerated Divestment Request					
USS Cowpens (CG 63)	33	35	PB23	FY 2026	FY 2024
Prior FY Divestment Requests for FY 2024					
USS Shiloh (CG 67)	32	35	PB21	FY 2024	FY 2024
USS Jackson (LCS 6)	9	25	PB23	FY 2024	FY 2024
USS Montgomery (LCS 8)	8	25	PB23	FY 2024	FY 2024

Estimated Savings:

The following table displays the estimated cost avoidance savings in ship operating, maintenance, and manpower costs associated with each of the divestments. Funds to operate, maintain, and man these ships for FY 2024 are included in the Navy’s budget request, except for the USS COWPENS (CG 63). The Navy shifted the projected savings for all the other ship divestments to other requirements in previous budget cycles.

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Divestment/Retirement	FY 2024 (\$K)	FY 2025 (\$K)	FY 2026 (\$K)	FY 2027 (\$K)	FY 2028 (\$K)	FYDP Total (\$K)
CG 69 - USS Vicksburg	(64,000)	(146,900)	(92,500)	(100,100)	(120,800)	(524,300)
LSD 42 - USS Germantown	0	(76,905)	(42,460)	0	0	(119,365)
LSD 44 - USS Gunston Hall	0	(212,030)	(86,757)	(80,704)	(82,769)	(462,260)
LSD 46 - USS Tortuga	0	(143,899)	(91,084)	(96,303)	(151,706)	(482,992)
CG 63 - USS Cowpens	(38,000)	(161,836)	(84,039)	(106,971)	(119,960)	(510,806)
CG 67 - USS Shiloh	0	(109,446)	(111,300)	(58,427)	0	(279,173)
LCS 6 - USS Jackson	0	(77,047)	(80,172)	(90,247)	(52,857)	(300,323)
LCS 8 - USS Montgomery	0	(76,147)	(59,020)	(120,904)	(50,358)	(306,429)
Grand Total	(102,000)	(1,004,210)	(647,332)	(653,656)	(578,450)	(2,985,648)

Estimated Buy back Costs:

The following table displays the estimated funding required to provide the costs necessary to operate these ships through the end of the FYDP (or through the end of their ESL), should Congress deny the Navy’s request to divest these ships prior to ESL. These costs are simply the inverse of the cost avoidance projections in the previous table and reflect the additional funds necessary to bring the ships to a minimum operating requirement. Additional funds may be required to restore these ships to a deployable status pending a more detailed platform analysis when scoping the maintenance work required.

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Divestment/Retirement	FY 2024 (\$K)	FY 2025 (\$K)	FY 2026 (\$K)	FY 2027 (\$K)	FY 2028 (\$K)	FYDP Total (\$K)
CG 69 - USS Vicksburg	64,000	146,900	92,500	100,100	120,800	524,300
LSD 42 - USS Germantown	0	76,905	42,460	0	0	119,365
LSD 44 - USS Gunston Hall	0	212,030	86,757	80,704	82,769	462,260
LSD 46 - USS Tortuga	0	143,899	91,084	96,303	151,706	482,992
CG 63 - USS Cowpens	38,000	161,836	84,039	106,971	119,960	510,806
CG 67 - USS Shiloh	0	109,446	111,300	58,427	0	279,173
LCS 6 - USS Jackson	0	77,047	80,172	90,247	52,857	300,323
LCS 8 - USS Montgomery	0	76,147	59,020	120,904	50,358	306,429
Grand Total	102,000	1,004,210	647,332	653,656	578,450	2,985,648

The information below provides further details for each divestment request.

Divestment Requests Previously Denied

Divestment of USS VICKSBURG (CG 69) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the CG 69 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY20 24 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS VICKSBURG (CG 69)	1	MilPers, Navy	Multiple	0	(47,733)	(45,896)	(47,188)	(48,467)	(189,284)
		Def Health Agency, Navy	060010	0	(3,045)	(6,379)	(6,684)	(7,003)	(23,111)
		O&M, Navy	1B1B	0	(22,300)	(24,000)	(29,700)	(18,700)	(94,700)
			1B4B	0	(15,700)	(16,100)	(16,400)	(46,500)	(94,700)
			1B5B	(8,000)	(4,000)	0	0	0	(12,000)
			3B1K	0	(122)	(125)	(128)	(130)	(505)
		Other Proc, Navy	0960	(56,000)	(54,000)	0	0	0	(110,000)
Grand Total				(64,000)	(146,900)	(92,500)	(100,100)	(120,800)	(524,300)

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FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(38)	(38)	(38)	(38)
Enlisted	0	(379)	(379)	(379)	(379)
Total Military Billets	0	(417)	(417)	(417)	(417)

Justification:

The USS VICKSBURG (CG 69) is currently undergoing modernization in Norfolk, VA. CG 69 is fully funded to operate and maintain through the end of FY 2024, with a proposed decommissioning at the end of FY 2024. If retained, the additional FY 2024 funding is required to enable completion of the CG Modernization availability. Completion of the Modernization period extends ESL to 40 years.

The Navy proposed divesting CG 69 in FY 2023, but the request was denied. VICKSBURG will be 34 years old at the time of divestment with an ESL of 35 years (40 years if the CG MODs are completed in FY 2024). The substantial cost of repairing this ship due to age and ongoing concerns with overall legacy sensor and Hull, Mechanical, and Electrical (HM&E) system reliability, outweighs the potential warfighting contribution of this ship over its limited remaining service life.

Buy Back Costs:

The initial cost estimate for buy back is \$64 million FY 2024 / \$524 million FYDP. Buy back costs include a notional completion date of February 2025 for its current modernization availability as well as standard operating costs for a Cruiser. Additional costs may be incurred based on new work discovered during the modernization availability required to make CG 69 deployable.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS VICKSBURG (CG 69)	1	MilPers, Navy	Multiple	0	47,733	45,896	47,188	48,467	189,284
		Def Health Agency, Navy	060010	0	3,045	6,379	6,684	7,003	23,111
		O&M, Navy	1B1B	0	22,300	24,000	29,700	18,700	94,700
			1B4B	0	15,700	16,100	16,400	46,500	94,700
			1B5B	8,000	4,000	0	0	0	12,000
			3B1K	0	122	125	128	130	505
		Other Proc, Navy	0960	56,000	54,000	0	0	0	110,000
Grand Total				64,000	146,900	92,500	100,100	120,800	524,300

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FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	38	38	38	38
Enlisted	0	379	379	379	379
Total Military Billets	0	417	417	417	417

Explanation of Changes (from PB23 Savings Projections):

CG 69 was proposed for divestment in FY 2023, but the request was denied. Although \$30.5 million in cost avoidance savings was identified in PB23, those projected savings were removed from the prior year budget. Additional funding was provided for the retention of this ship in the FY 2023 budget. Current projections shown are the cost avoidance savings if the Navy divestments of this ship.

Divestment of USS GERMANTOWN (LSD 42) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the LSD 42 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS GERMANTOWN (LSD 42)	1	MilPers, Navy	Multiple	0	(42,428)	(20,458)	0	0	(62,886)
		Def Health Agency, Navy	060010	0	(2,761)	(2,892)	0	0	(5,653)
		O&M, Navy	1B1B	0	(11,655)	(9,713)	0	0	(21,368)
			1B4B	0	(19,950)	(9,397)	0	0	(29,347)
			3B1K	0	(111)	0	0	0	(111)
Grand Total				0	(76,905)	(42,460)	0	0	(119,365)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(36)	0	0	0
Enlisted	0	(342)	0	0	0
Total Military Billets	0	(378)	0	0	0

Force Structure Changes Exhibit

Justification:

For the Navy’s PB22 submit, the Navy determined that seven Dock landing Ships (LSDs) should be divested due to poor material condition. These ships are in poor material condition due to their age and require significant resources to repair, maintain, and operate. Shifting resources to other capabilities better supports the National Defense Strategy, and provides more operational capability to the Navy and Marine Corps.

The Navy proposed divesting LSD 42 in FY 2023, but the request was denied. GERMANTOWN will be 38 years old at the time of divestment and will reach its Expected Service Life (ESL) of 40 years in 2026, well beyond its designed 35-year ESL. In the 1990s, the Navy extended the service life of the entire class to 40 years based on an assumption that they would only operate at a designed level (six-month deployments) and that each ship would get full maintenance during its lifecycle. However, these ships operated at higher levels in the 2000s and 2010s and did not receive all planned maintenance. LSD 42 is fully funded to maintain and operate through the end of FY 2024, with a proposed divestment at the end of FY 2024.

Buy Back Costs:

The initial cost estimate for buy back is \$77 million FY 2025 / \$119 million FYDP. Buy back costs represent standard operating and maintenance costs for an LSD. No modernization is programmed due to executability issues and low return on investment. Based on material condition, repairs and modernization would take approximately three to three and a half years to complete to deploy again. LSD 42 cannot be made deployable prior to FY 2026 ESL.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS GERMANTOWN (LSD 42)	1	MilPers, Navy	Multiple	0	42,428	20,458	0	0	62,886
		Def Health Agency, Navy	060010	0	2,761	2,892	0	0	5,653
		O&M, Navy	1B1B	0	11,655	9,713	0	0	21,368
			1B4B	0	19,950	9,397	0	0	29,347
			3B1K	0	111	0	0	0	111
Grand Total				0	76,905	42,460	0	0	119,365

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FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	36	0	0	0
Enlisted	0	342	0	0	0
Total Military Billets	0	378	0	0	0

Explanation of Changes (from PB23 Savings Projections):

LSD 42 was proposed for divestment in FY 2023, but the request was denied. Although \$155.6 million in cost avoidance savings was identified in PB23, those projected savings were removed from the prior year budget. Additional funding was provided for the retention of this ship in FY 2023 budget. Current projections shown are the cost avoidance savings if the Navy divests of this ship.

Divestment of USS GUNSTON HALL (LSD 44) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the LSD 44 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY 2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS GUNSTON HALL (LSD 44)	1	MilPers, Navy	Multiple	0	(42,729)	(41,005)	(42,127)	(43,236)	(169,097)
		Def Health Agency, Navy	060010	0	(2,761)	(5,782)	(6,058)	(6,347)	(20,948)
		O&M, Navy	1B1B	0	(14,430)	(19,869)	(11,988)	(12,321)	(58,608)
			1B4B	0	(129,800)	(19,688)	(20,116)	(20,448)	(190,052)
			1B5B	0	(2,200)	0	0	0	(2,200)
			3B1K	0	(110)	(113)	(115)	(117)	(455)
		Other Proc, Navy	1610	0	(20,000)	(300)	(300)	(300)	(20,900)
Grand Total				0	(212,030)	(86,757)	(80,704)	(82,769)	(462,260)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(36)	(36)	(36)	(36)
Enlisted	0	(342)	(342)	(342)	(342)
Total Military Billets	0	(378)	(378)	(378)	(378)

Force Structure Changes Exhibit

Justification:

The divestment of LSD 44 was part of the Secretary of the Navy’s Reform Oversight Council decision to divest seven Dock landing Ships (LSDs) due to poor material condition. These ships are in poor material condition due to their age and require significant resources to repair, maintain, and operate. Shifting resources to other capabilities better supports the National Defense Strategy, and provides more operational capability to the Navy and Marine Corps.

The Navy proposed divesting LSD 44 in FY 2023, but the request was denied. GUNSTON HALL will be 35 years old at the time of divestment and will reach its Expected Service Life (ESL) of 40 years in FY 2029, well beyond its designed 35-year ESL. In the 1990s, the Navy extended the service life of the entire class to 40 years based on an assumption that they would only operate at a designed level (six-month deployments) and that each ship would get full maintenance during its lifecycle. However, these ships operated at higher levels in through the 2010s and did not receive all planned maintenance. LSD 44 will reach its 35-year ESL in FY 2024. LSD 44 maintenance and operational costs are fully funded through the end of FY 2024, and then it will be divested.

Buy Back Costs:

The initial cost estimate for buy back is \$212 million FY 2025 / \$462 million FYDP. These costs represent standard operating and maintenance costs for an LSD along with modernization funding to enable LSD 44 to better operate and integrate with the current Amphibious Naval force. Additional costs may be incurred based on new work discovered during the modernization availability required to make LSD 44 deployable.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS GUNSTON HALL (LSD 44)	1	MilPers, Navy	Multiple	0	42,729	41,005	42,127	43,236	169,097
		Def Health Agency, Navy	060010	0	2,761	5,782	6,058	6,347	20,948
		O&M, Navy	1B1B	0	14,430	19,869	11,988	12,321	58,608
			1B4B	0	129,800	19,688	20,116	20,448	190,052
			1B5B	0	2,200	0	0	0	2,200
			3B1K	0	110	113	115	117	455
		Other Proc, Navy	1610	0	20,000	300	300	300	20,900
Grand Total				0	212,030	86,757	80,704	82,769	462,260

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FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	36	36	36	36
Enlisted	0	342	342	342	342
Total Military Billets	0	378	378	378	378

Explanation of Changes (from PB23 Savings Projections):

LSD 44 was proposed for divestment in FY 2023, but the request was denied. Although \$148.0 million in cost avoidance savings was identified in PB23, those projected savings were removed from the prior year budget. Additional funding was provided for the retention of this ship in FY 2023 budget. Current projections shown are the cost avoidance savings if the Navy divests of this ship.

Divestment of USS TORTUGA (LSD 46) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the LSD 46 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS TORTUGA (LSD 46)	1	MilPers, Navy	Multiple	0	(41,013)	(39,375)	(40,405)	(41,523)	(162,316)
		Def Health Agency, Navy	060010	0	(2,679)	(5,615)	(5,882)	(6,162)	(20,338)
		O&M, Navy	1B1B	0	(10,878)	(20,979)	(11,988)	(11,988)	(55,833)
			1B4B	0	(20,221)	(18,905)	(22,915)	(85,818)	(147,859)
			1B5B	0	(30,000)	0	0	(6,100)	(36,100)
			3B1K	0	(108)	(110)	(113)	(115)	(446)
		Other Proc, Navy	1610	0	(39,000)	(6,100)	(15,000)	0	(60,100)
Grand Total				0	(143,899)	(91,084)	(96,303)	(151,706)	(482,992)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(28)	(28)	(28)	(28)
Enlisted	0	(339)	(339)	(339)	(339)
Total Military Billets	0	(367)	(367)	(367)	(367)

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Justification:

TORTUGA is currently undergoing LSD Modernization. Her availability started in January 2018, but the Navy has experienced numerous challenges with the availability and the worse-than-planned condition of the ship, creating a large amount of additional work. TORTUGA is not currently underway or operational.

The Navy proposed divesting LSD 46 in FY 2023, but the request was denied. TORTUGA will be 34 years old in FY 2024, with an ESL of 40 years. LSD 46 is fully funded for maintenance and operations through the end of FY 2024, and then decommissioned.

Buy Back Costs:

The initial cost estimate for buy back is \$144 million FY 2025 / \$483 million FYDP. Buy back costs include additional funding required for completion of the LSD Modernization availability as well as standard maintenance, modernization, and operating costs of an LSD class. Additional costs may be incurred if additional issues are discovered during the modernization implementation required to make LSD 46 deployable. With the current modernization challenges of growth work, cost overruns, and underperformance by industry, the Navy does not see a viable path to making LSD 46 deployable prior to the end of ESL.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS TORTUGA (LSD 46)	1	MilPers, Navy	Multiple	0	41,013	39,375	40,405	41,523	162,316
		Def Health Agency, Navy	060010	0	2,679	5,615	5,882	6,162	20,338
		O&M, Navy	1B1B	0	10,878	20,979	11,988	11,988	55,833
			1B4B	0	20,221	18,905	22,915	85,818	147,859
			1B5B	0	30,000	0	0	6,100	36,100
			3B1K	0	108	110	113	115	446
		Other Proc, Navy	1610	0	39,000	6,100	15,000	0	60,100
Grand Total				0	143,899	91,084	96,303	151,706	482,992

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	28	28	28	28
Enlisted	0	339	339	339	339
Total Military Billets	0	367	367	367	367

Force Structure Changes Exhibit

Explanation of Changes (from PB23 Savings Projections):

LSD 46 was proposed for divestment in FY 2023, but the request was denied. There were no cost avoidance savings identified in PB23, but those projected savings were removed from the prior year budget. Additional funding was provided for the retention of this ship in FY 2023 budget. Current projections shown are the cost avoidance savings if the Navy divests of this ship.

Accelerated Divestment Request

Divestment of USS COWPENS (CG 63) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the CG 63 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS COWPENS (CG 63)	1	MilPers, Navy	Multiple	0	(47,769)	(45,935)	(47,159)	(48,427)	(189,290)
		Def Health Agency, Navy	060010	0	(3,045)	(6,379)	(6,684)	(7,003)	(23,111)
		O&M, Navy	1B1B	0	(15,900)	(15,500)	(37,600)	(19,400)	(88,400)
			1B4B	0	(41,000)	(16,100)	(15,400)	(45,000)	(117,500)
			1B5B	(8,000)	(10,000)	0	0	0	(18,000)
			3B1K	0	(122)	(125)	(128)	(130)	(505)
		Other Proc, Navy	0960	(30,000)	(44,000)	0	0	0	(74,000)
Grand Total				(38,000)	(161,836)	(84,039)	(106,971)	(119,960)	(510,806)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(38)	(38)	(38)	(38)
Enlisted	0	(379)	(379)	(379)	(379)
Total Military Billets	0	(417)	(417)	(417)	(417)

Justification:

As part of PB23, the Navy included the planned divestment of CG 63 in FY 2026. The PB24 request accelerates the divestment to FY 2024. CG 63 is fully funded through the end of FY 2024 to maintain and operate for a FY 2024 divestment. COWPENS has experienced increased availability costs and poor return on investment in terms of operational employment and

Force Structure Changes Exhibit

capability. This reduction is in line with the Defense Planning Guidance to assume risk in guided missile cruiser force structure. COWPENS will be 33 years old at the time of divestment with an Expected Service Life (ESL) of 35 years.

Buy Back Costs:

The initial cost estimate for buy back is \$38 million FY 2024 / \$511 million FYDP. Buy back costs include additional funds required for completion of the CG Modernization availability for CG 63, started in FY 2018, as well as standard operating costs for a Cruiser following estimated availability completion in FY 2025. Additional costs may be incurred based on new work discovered during the modernization availability required to make CG 63 deployable.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS COWPENS (CG 63)	1	MilPers, Navy	Multiple	0	47,469	45,935	47,159	48,427	188,990
		Def Health Agency, Navy	060010	0	3,045	6,379	6,684	7,003	23,111
		O&M, Navy	1B1B	0	15,900	15,500	37,600	19,400	88,400
			1B4B	0	41,000	16,100	15,400	45,000	117,500
			1B5B	8,000	10,000	0	0	0	18,000
			3B1K	0	122	125	128	130	505
		Other Proc, Navy	0960	30,000	44,000	0	0	0	74,000
Grand Total				38,000	161,536	84,039	106,971	119,960	510,506

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	38	38	38	38
Enlisted	0	379	379	379	379
Total Military Billets	0	417	417	417	417

Explanation of Changes (from PB23 Savings Projections):

Due to the acceleration of the divestment of CG 63 to FY 2024, the Navy estimates a total cost avoidance savings of \$161.8 million FY 2025 / \$510.8 million FYDP.

Force Structure Changes Exhibit

Divestment Requests Previously Requested for FY 2024

Divestment of USS SHILOH (CG 67) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the CG 67 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS SHILOH (CG 67)	1	MilPers, Navy	Multiple	0	(47,769)	(45,935)	(22,894)	0	(116,598)
		Def Health Agency, Navy	060010	0	(3,045)	(6,379)	(3,406)	0	(12,830)
		O&M, Navy	1B1B	0	(32,710)	(34,977)	(17,764)	0	(85,451)
			1B4B	0	(25,800)	(23,884)	(14,235)	0	(63,919)
			3B1K	0	(122)	(125)	(128)	0	(375)
Grand Total				0	(109,446)	(111,300)	(58,427)	0	(279,173)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(38)	(38)	0	(38)
Enlisted	0	(379)	(379)	0	(379)
Total Military Billets	0	(417)	(417)	0	(417)

Justification:

CG 67 is currently a Forward Deployed Naval Force (FDNF) Ballistic Missile Defense (BMD) cruiser stationed in Japan. SHILOH will be 32 years old at the time of divestment with an Expected Service Life (ESL) of 35 years. She is not part of the CG Modernization program and will reach her ESL in FY 2027. As part of its PB21 submission, the Navy included the planned divestment of four less capable, less integrated Navy cruisers. Three of these ships were divested in FY 2022. SHILOH was planned for an FY 2024 divestment and that has not changed. CG 67 is fully funded through the end of FY 2024 to maintain and operate for a FY 2024 divestment.

Buy Back Costs:

The initial cost estimate for buy back is \$110 million FY 2025 / \$279 million FYDP. Fully burdened costs represent standard operating and maintenance costs for an FDNF Cruiser. Additional costs may be incurred based on new work discovered during standard maintenance availabilities required to make CG 67 deployable.

Force Structure Changes Exhibit

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS SHILOH (CG 67)	1	MilPers, Navy	Multiple	0	47,769	45,935	22,894	0	116,598
		Def Health Agency, Navy	060010	0	3,045	6,379	3,406	0	12,830
		O&M, Navy	1B1B	0	32,710	34,977	17,764	0	85,451
			1B4B	0	25,800	23,884	14,235	0	63,919
			3B1K	0	122	125	128	0	375
Grand Total				0	109,446	111,300	58,427	0	279,173

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	38	38	0	38
Enlisted	0	379	379	0	379
Total Military Billets	0	417	417	0	417

Explanation of Changes (from PB23 Savings Projections):

Previous cost avoidance savings projections were removed from the prior year budget. Current projections shown are the cost avoidance savings if the Navy divests of this ship.

Divestment of USS JACKSON (LCS 6) in FY 2024

This table shows the estimated cost avoidance savings for ship operating, maintenance, and manpower costs associated with the LCS 6 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS JACKSON (LCS 6)	1	MilPers, Navy	Multiple	0	(15,662)	(11,658)	(11,938)	(12,213)	(51,471)
		Def Health Agency, Navy	060010	0	(1,190)	(2,493)	(2,612)	(2,736)	(9,031)
		O&M, Navy	1B1B	0	(8,214)	(4,662)	(9,102)	(8,547)	(30,525)
			1B4B	0	(26,933)	(29,310)	(66,545)	(29,310)	(152,098)
			3B1K	0	(48)	(49)	(50)	(51)	(198)
		Other Proc, Navy	1604	0	(25,000)	(32,000)	0	0	(57,000)
Grand Total				0	(77,047)	(80,172)	(90,247)	(52,857)	(300,323)

Force Structure Changes Exhibit

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(22)	(22)	(22)	(22)
Enlisted	0	(141)	(141)	(141)	(141)
Total Military Billets	0	(163)	(163)	(163)	(163)

Justification:

JACKSON (LCS 6) is currently stationed in San Diego. She is outfitted with the Naval Strike Missile (NSM) but has not received the LCS Lethality and Survivability upgrades mandated for the class. As part of its PB23 submission, the Navy reduced JACKSON to single-crew status with planned divestment in FY 2024. JACKSON will be nine years old at the time of divestment with an ESL of 25 years. LCS 6 is fully funded through the end of FY 2024 to maintain and operate for a FY 2024 divestment.

Buy Back Costs:

The initial cost estimate for buy back is \$77 million FY 2025 / \$300 million FYDP. Fully burdened costs represent full modernization of the ship to bring her in line with the remainder of the LCS INDEPENDENCE variant as well as standard operating and maintenance costs for an LCS. The Navy would incur additional costs if JACKSON were designated as either a Surface Warfare (SUW) or Mine Countermeasures (MCM) Mission Package employment ship.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS JACKSON (LCS 6)	1	MilPers, Navy	Multiple	0	14,491	10,477	10,744	11,005	46,717
		Def Health Agency, Navy	060010	0	1,190	2,493	2,612	2,736	9,031
		O&M, Navy	1B1B	0	8,214	4,662	9,102	8,547	30,525
			1B4B	0	26,933	29,310	66,545	29,310	152,098
			3B1K	0	48	49	50	51	198
		Other Proc, Navy	1604	0	25,000	32,000	0	0	57,000
Grand Total				0	77,047	80,172	90,247	52,857	300,323

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	22	22	22	22
Enlisted	0	141	141	141	141
Total Military Billets	0	163	163	163	163

Force Structure Changes Exhibit

Explanation of Changes (from PB23 Savings Projections):

There are no changes from the PB23 savings projections because this is the first year that this ship has been proposed for divestment.

Divestment of USS MONTGOMERY (LCS 8) in FY 2024

This table shows the estimated cost avoidance savings for in ship operating, maintenance, and manpower costs associated with the LCS 8 divestment.

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS MONTGOMERY (LCS 8)	1	MilPers, Navy	Multiple	0	(15,662)	(11,658)	(11,938)	(12,213)	(51,471)
		Def Health Agency, Navy	060010	0	(1,190)	(2,493)	(2,612)	(2,736)	(9,031)
		O&M, Navy	1B1B	0	(8,214)	(9,879)	(5,661)	(6,660)	(30,414)
			1B4B	0	(26,033)	(28,941)	(68,643)	(28,698)	(152,315)
			3B1K	0	(48)	(49)	(50)	(51)	(198)
		Other Proc, Navy	1604	0	(25,000)	(6,000)	(32,000)	0	(63,000)
Grand Total				0	(76,147)	(59,020)	(120,904)	(50,358)	(306,429)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	(38)	(38)	0	(38)
Enlisted	0	(379)	(379)	0	(379)
Total Military Billets	0	(417)	(417)	0	(417)

Justification:

MONTGOMERY (LCS 8) is currently stationed in San Diego. She has not received the LCS Lethality and Survivability upgrades mandated for the class. As part of PB23, the Navy reduced MONTGOMERY to single-crew status with planned divesting in FY 2024. MONTGOMERY will be eight years old at the time of divestment with an ESL of 25 years. LCS 8 is fully funded through the end of FY 2024 to maintain and operate for a FY 2024 divestment.

Buy Back Costs:

The initial cost estimate for buy back is \$76 million FY 2025 / \$306 million FYDP. Fully burdened costs represent full modernization of the ship to bring her in line with the remainder of the LCS INDEPENDENCE variant as well as standard operating and maintenance costs for an LCS. The Navy would incur additional costs if MONTGOMERY were designated as either an SUW or MCM Mission Package employment ship.

Force Structure Changes Exhibit

Divestment/Retirement	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
USS MONTGOMERY (LCS 8)	1	MilPers, Navy	Multiple	0	15,662	11,658	11,938	12,213	51,471
		Def Health Agency, Navy	060010	0	1,190	2,493	2,612	2,736	9,031
		O&M, Navy	1B1B	0	8,214	9,879	5,661	6,660	30,414
			1B4B	0	26,033	28,941	68,643	28,698	152,315
			3B1K	0	48	49	50	51	198
		Other Proc, Navy	1604	0	25,000	6,000	32,000	0	63,000
Grand Total				0	76,147	59,020	120,904	50,358	306,429

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Officer	0	38	38	0	38
Enlisted	0	379	379	0	379
Total Military Billets	0	417	417	0	417

Explanation of Changes (from PB23 Savings Projections):

There are no changes from the PB23 savings projections because this is the first year that this ship has been proposed for divestment.

The Department of the Navy will divest of the following aircraft in FY 2024:

Divestment of Navy aircraft in FY 2024

Description: Divestment of AV-8B, C-2A, CH-53E, E-2C, FA-18C-F, MH-53E, MH-60R-S, P-3C, RQ-21, TH-57B-C, UH-1Y, VH-3D, UH-60N.

Force Structure Changes Exhibit

Divestment / Retirement	QTY	APPN	FY 2024 (\$K)	FY 2025 (\$K)	FY 2026 (\$K)	FY 2027 (\$K)	FY 2028 (\$K)	FYDP (\$K)
AV-8B	9	O&M, Navy	(64,800)	0	0	0	0	(64,800)
C-2A	7	O&M, Navy	(29,400)	0	0	0	0	(29,400)
CH-53E	20	O&M, Navy	(36,700)	0	0	0	0	(36,700)
E-2C	2	O&M, Navy	(16,300)	0	0	0	0	(16,300)
FA-18C	17	O&M, Navy	(126,400)	0	0	0	0	(126,400)
FA-18D	12	O&M, Navy	(33,800)	0	0	0	0	(33,800)
FA-18E	1	O&M, Navy	(60,000)	0	0	0	0	(60,000)
FA-18F	2	O&M, Navy	(10,500)	0	0	0	0	(10,500)
MH-53E	2	O&M, Navy	(3,500)	0	0	0	0	(3,500)
MH-60R	1	O&M, Navy	(2,700)	0	0	0	0	(2,700)
MH-60S	1	O&M, Navy	(1,900)	0	0	0	0	(1,900)
P-3C	3	O&M, Navy	(2,100)	0	0	0	0	(2,100)
RQ-21	1	O&M, Navy	(5,900)	0	0	0	0	(5,900)
TH-57B	12	O&M, Navy	(7,300)	0	0	0	0	(7,300)
TH-57C	28	O&M, Navy	(15,300)	0	0	0	0	(15,300)
UH-1Y	4	O&M, Navy	(6,900)	0	0	0	0	(6,900)
VH-3D	3	O&M, Navy	(1,200)	0	0	0	0	(1,200)
UH-60N	5	O&M, Navy	(800)	0	0	0	0	(800)
Grand Total	130		(425,500)	0	0	0	0	(425,500)

Justification:

The Navy plans to divest of multiple aircraft platforms and quantities in FY 2024. These aircraft are scheduled for divestment due to reaching the end of the airframe service hours and life. Any resultant proceeds from the divestment are typically used to procure modernized replacement aircraft. Simultaneous divestment of legacy aircraft and fielding of new aircraft will significantly improve aircraft reliability, performance, and safety to respond to domestic and international missions.

Explanation of Changes (from PB23 Savings Projections):

There were no projected savings in PB23 for these aircraft, so there are no changes. These are planned divestments and any sustainment and/or maintenance savings are being reinvested in fleet modernization efforts.

Force Structure Changes Exhibit

Air Force – The Air Force did not submit any ship divestments or retirements in FY 2024. The Air Force submitted 310 aircraft divestments for a cost avoidance savings of \$2,927.3 million, and no aircraft retirements. Air Force ship and aircraft divestments and retirements for PB24 includes:

Divestment of A-10 in FY 2024

Description: Divestment of A-10.

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
A-10	42	Aircraft Proc, AF	T03800	(382,090)	(120,706)	(182,244)	(183,135)	(122,538)	(990,713)
		O&M, AF	011M, 011W, 011Y	(184,398)	(369,907)	(519,416)	(513,658)	(523,932)	(2,111,311)
		MilPers, AF		(9,149)	(50,685)	(113,834)	(199,348)	(203,335)	(373,016)
		RDT&E, AF		0	(9,414)	(28,607)	(39,350)	(40,137)	(117,508)
		O&M, Reserve		(23,262)	(40,784)	(67,019)	(83,634)	(85,307)	(300,006)
		Milpers, Reserve		0	(9,414)	(28,607)	(39,350)	(40,137)	(67,957)
		O&M, Guard		0	(60,493)	(132,887)	(127,007)	(129,547)	(449,934)
		Milpers, Guard		0	(11,197)	(23,576)	(49,509)	(50,499)	(84,282)
Grand Total				(598,899)	(663,186)	(1,096,190)	(1,234,991)	(901,461)	(4,494,727)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	0	0	(66)
Enlisted	0	0	0	0	(726)
Total Military Billets	0	0	0	0	(792)
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	0	0	0	0	(792)

Force Structure Changes Exhibit

Justification:

The Air Force continues to pursue accelerating the divestment of the A-10 fleet to transition the overall fighter fleet to a more capable and multi-role force. This divestment allows for repurposing of A-10 manpower, enables investment in the future force and advances force lethality improvements against peer adversaries.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
A-10	42	Aircraft Proc, AF	T03800	382,090	120,706	182,244	183,135	122,538	990,713
		O&M, AF	011M, 011W, 011Y	184,398	369,907	519,416	513,658	523,932	2,111,310
		MilPers, AF		7,618	52,529	121,453	214,011	0	395,611
		RDT&E, AF		0	9,414	28,607	39,350	40,137	117,508
		O&M, Reserve		23,262	40,784	67,019	83,634	85,307	300,006
		Milpers, Reserve		0	0	6,779	15,884	0	22,663
		O&M, Guard		0	60,493	132,887	127,007	129,547	449,934
		Milpers, Guard		0	27,583	26,578	25,557	0	79,718
Grand Total				597,368	681,416	1,084,983	1,202,236	901,459	4,467,462

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	0	0	66
Enlisted	0	0	0	0	726
Total Military Billets	0	0	0	0	792
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	0	0	0	0	792

Explanation of Changes (from PB23 Savings Projections):

This is a continued divestment from PB23. The FY 2023 National Defense Authorization Act (NDAA) allows the divestment of 21 Total Aircraft Inventory (TAI) from Fort Wayne, ANG.

Force Structure Changes Exhibit

Divestment of A-29 in FY 2024

Description: Divestment of A-29

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
A-29A	3	O&M, AF	011M, 011W, 011Y	0	0	0	0	0	0
Grand Total				0	0	0	0	0	0

Manpower: There are no military or civilian FTE savings.

Justification:

The A-29 is a planned divestment of three aircraft. These specialty aircraft no longer meet mission requirements and will no longer be utilized or maintained. Subsequently, SOCOM will fund the follow-on missions/airframes with MPF-11 funds. Congress provided \$18 million in FY 2023 and \$1.5 million in FY 2024 for minimum flying operations only to support divestment planning and execution. This divestment does not result in savings, costs, or manpower.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
A-29A	3	O&M, AF	011M, 011W, 011Y	18,352	18,736	19,114	19,498	19,888	95,588
Grand Total				18,352	18,736	19,114	19,498	19,888	95,588

Manpower: There are no military or civilian FTE buy back requirements.

Explanation of Changes (from PB23 Savings Projections):

This aircraft was not proposed in PB23. Manpower was not assigned, so if retained, a manpower analysis will be required and will be in addition to the buyback costs identified above.

Force Structure Changes Exhibit

Divestment of B-1B in FY 2024

Description: Divestment a portion of the B-1B fleet in FY 2024-2028 FYDP

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
B-1	1	O&M, AF	011M, 011W, 011Y	(10,023)	(19,546)	(21,967)	(21,940)	(248,575)	(322,051)
		Milpers, AF		0	0	0	0	(71,500)	(71,500)
		MERHC, AF		0	0	0	0	(13,300)	(13,300)
Grand Total				(10,023)	(19,546)	(21,967)	(21,940)	(333,375)	(406,851)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	0	0	(66)
Enlisted	0	0	0	0	(726)
Total Military Billets	0	0	0	0	(792)
Civilian FTE					
FTE	0	0	0	0	(16)
Grand Total FTE	0	0	0	0	(808)

Justification:

As the Air Force modernizes, it will transition the current three-bomber fleet to a two-bomber fleet of next-generation B-21s and modernized B-52s. The single divestiture in FY 2024 is the result of a ground incident (aircraft fire) in April 2022. The aircraft is projected to be uneconomical to repair. The ten-aircraft divestment in FY 2028 is from Ellsworth AFB, SD, and is intended to align with the transition to the B-21.

Force Structure Changes Exhibit

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
B-1	1	O&M, AF	011M, 011W, 011Y	10,023	19,546	21,967	21,940	248,575	322,051
		Milpers, AF		0	0	0	0	71,500	71,500
		MERHC, AF		0	0	0	0	13,300	13,300
Grand Total				10,023	19,546	21,967	21,940	333,375	406,851

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	0	0	66
Enlisted	0	0	0	0	726
Total Military Billets	0	0	0	0	792
Civilian FTE					
FTE	0	0	0	0	16
Grand Total FTE	0	0	0	0	808

Explanation of Changes (from PB23 Savings Projections):

The FY 2024 and FY 2028 divestments are new for PB24. PB23 previously incorporated the divestment of two test aircraft. The FY 2023 NDAA enables reductions to B-1 squadron capability and personnel once a bomb wing commences the process of replacing B-1 aircraft with B-21s.

Divestment of C-130H in FY 2024

Description: Divestment of the C-130H

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
C-130H	2	O&M, Reserve	011M, 011W, 011A	(6,505)	(13,653)	(36,218)	(54,202)	(58,990)	(169,568)
		MilPers, Reserve		(1,589)	(1,599)	(6,497)	(6,497)	(6,497)	(22,679)
		O&M, Guard	011M, 011W, 011F	0	(18,348)	(52,295)	(107,347)	(239,084)	(417,074)
		MilPers, Guard		0	(8,570)	(14,332)	(28,664)	(31,531)	(83,097)
Grand Total				(8,094)	(42,170)	(109,342)	(196,710)	(336,102)	(692,418)

Force Structure Changes Exhibit

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(17)	(92)	(165)	(257)	(276)
Enlisted	(84)	(421)	(757)	(1,178)	(1,262)
Total Military Billets	(101)	(513)	(922)	(1,435)	(1,538)
Civilian FTE					
FTE	(20)	(99)	(178)	(277)	(296)
Grand Total FTE	(121)	(612)	(1,100)	(1,712)	(1,834)

Justification:

Divestment of the C-130H is part of a planned recapitalization. The C-130J is replacing the C-130H on a one-for-one basis, maintaining the Congressionally mandated floor of 271 aircraft. All appropriate manpower, aircrew and maintenance, flying hours, and Weapon Systems Sustainment (WSS) are transitioning to the C-130J units. Additional manpower resulting from crew component differences in the C-130J versus the C-130H will be re-purposed within each respective component (ANG/AFRC) and is cost neutral.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
C-130H	2	Mod Proc, AF	C13000	0	21,000	78,000	64,200	49,800	213,000
		O&M, Reserve	011M, 011W, 011A	6,505	13,653	36,218	54,202	58,990	169,568
		MilPers, Reserve		1,589	1,599	6,497	6,497	6,497	22,679
		O&M, Guard	011M, 011W, 011F	0	18,348	52,295	107,347	239,084	417,074
		MilPers, Guard		0	8,570	14,332	28,664	31,531	83,097
Grand Total				8,094	63,170	187,342	260,910	385,902	905,418

Explanation of Changes (from PB23 Savings Projections):

The above data shows costs associated with buying back 30 C-130Hs. It ignores congressionally funded C-130J recapitalization as articulated in the divestment section. Modification procurement costs include Avionics Modernization Program (AMP) Increment 2 kits for each aircraft (30 total), along with ten Center Wing Box (CWB) procurements. Procurement was not reflected as savings as

Force Structure Changes Exhibit

modifications were not programmed for retiring aircraft but retaining aircraft would necessitate modifications. Manpower represents operational and maintenance personnel taken from a baselined component wing.

Divestment of E-3 in PB24

Description: The Air Force will divest two additional E-3 AWACS in FY 2024

Cost Avoidance Savings (FY 2024 – FY 2028) (\$K)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
E-3	2	O&M, AF	011M, 011W, 11Y	(68,900)	(132,236)	(134,881)	(210,584)	(218,088)	(764,689)
Grand Total				(68,900)	(132,236)	(134,881)	(210,584)	(218,088)	(764,689)

Manpower: No manpower savings were identified.

Justification:

The E-3 is a legacy airframe which can't compete in a peer or near-peer conflict and cannot be modified to be part of the next generation of Command and Control (C2)/Airborne Moving Target Indicator (AMTI) systems. Additionally, the E-3 availability rate is 40 percent and falling. Modernizing the USAFs C2 capability is imperative to ensuring the USAF fields a modern, capable AMTI and battle management force against a peer or near-peer threat. This Divestment allows the Air Force to reinvest those savings into higher Air Force priorities to include the E-7.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
E-3	2	Aircraft Procurement, AF	E00300	7,950	8,085	8,222	8,362	8,504	41,123
		O&M, AF	011M, 011W, 011Y	75,920	77,210	78,523	79,858	81,216	392,727
		Milpers, AF		11,950	12,153	12,360	12,570	12,783	61,816
		MERHC, AF		1,370	1,393	1,417	1,441	1,465	7,086
Grand Total				97,190	98,841	100,522	102,231	103,968	502,752

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					

Force Structure Changes Exhibit

Officer	70	70	70	70	70
Enlisted	126	126	126	126	126
Total Military Billets	196	196	196	196	196
Civilian FTE					
FTE					
Grand Total FTE	196	196	196	196	196

Explanation of Changes (from PB23 Savings Projections):

The FY 2023 NDAA prohibited the Air Force from divesting more than 13 E-3 aircraft, as opposed to the 15 aircraft the AF budget requested. In FY 2024, the Air Force will divest two aircraft as a cost avoidance, there will be no additional savings.

Divestment of E-8 in PB24

Description: The last three E-8 JSTARS are scheduled to divest in FY 2024.

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
E-8	3	O&M, AF	011M, 011W, 011Y	(10,900)	(11,118)	(11,340)	(11,567)	(11,799)	(56,724)
		Milpers, AF		(88,400)	(90,168)	(91,971)	(93,811)	(95,687)	(460,037)
		MERHC, AF		(4,300)	(4,386)	(4,474)	(4,563)	(4,654)	(22,377)
		MERHC, AF		(300)	(306)	(312)	(318)	(325)	(1,561)
		O&M, Guard		(169,100)	(172,482)	(175,932)	(179,450)	(183,039)	(880,003)
		Milpers, Guard		(8,400)	(8,568)	(8,739)	(8,914)	(9,092)	(43,714)
Grand Total				(281,400)	(287,028)	(292,769)	(298,624)	(304,596)	(1,464,417)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(59)	(59)	(59)	(59)	(59)
Enlisted	(289)	(289)	(289)	(289)	(289)

Force Structure Changes Exhibit

Total Military Billets	(348)	(348)	(348)	(348)	(348)
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	(348)	(348)	(348)	(348)	(348)

Justification:

Divestment of the E-8 was approved in PB22 in conjunction with SECDEF certifying a space-based Ground MTI capability. While the Air Force has divested personnel positions from JSTARS, all manpower positions have remained at Robins AFB to transfer into the four new missions, including BMC2, BACN, Spectrum Warfare Group, and ABMS.

Buy Back Costs (FY 2024 – FY 2028)

If the USAF buys back the E-8 in FY 2024, there will be an additional associated cost of ~\$300 million to re-establish the depot for maintenance, not inclusive of potential contract actions.

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
E-8	3	O&M, AF	011M, 011W, 011Y	10,900	11,118	11,340	11,567	11,799	56,724
		Milpers, AF		88,400	90,168	91,971	93,811	95,687	460,037
		MERHC, AF		4,300	4,386	4,474	4,563	4,654	22,377
		MERHC, AF		300	306	312	318	325	1,561
		O&M, Guard		169,100	172,482	175,932	179,450	183,039	880,003
		Milpers, Guard		8,400	8,568	8,739	8,914	9,092	43,714
Grand Total				281,400	287,028	292,769	298,624	304,596	1,464,417

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	59	59	59	59	59
Enlisted	289	289	289	289	289
Total Military Billets	348	348	348	348	348
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	348	348	348	348	348

Force Structure Changes Exhibit

Explanation of Changes (from PB23 Savings Projections):

An additional E-8 aircraft was divested in FY 2022, leaving only three remaining in FY 2024.

Divestment of EC-130H in PB24

Description: Divestment of the EC-130H Compass Call fleet

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
EC-130H	2	O&M, AF		(48,548)	(24,275)	(72,822)	(74,497)	(76,210)	(296,352)
		Milpers, AF		(5,562)	(39,443)	(49,569)	(52,197)	(53,398)	(200,169)
Grand Total				(54,110)	(63,718)	(122,391)	(126,694)	(129,608)	(496,521)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(13)	(104)	(24)	(7)	0
Enlisted	(21)	(130)	(325)	(11)	0
Total Military Billets	(34)	(234)	(349)	(18)	0
Civilian FTE					
FTE	(8)	0	(3)	0	0
Grand Total FTE	(42)	(234)	(352)	(18)	0

Justification:

The EC-130H Compass Call aircraft is at the end of its service life, and the mission is transitioning to the EC-37B Compass Call. The planned Divestments in PB24 continue the path since PB17. The funds identified above represent the funding leaving the EC-130H program and do not take into consideration the Compass Call program. That is, while there are savings from retiring EC-130H, those funds are being transferred directly to the EC-37B; therefore, Divestment does not result in direct cost or manpower savings.

Buy Back Costs (FY 2024 – FY 2028)

Force Structure Changes Exhibit

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
EC-130H	2	O&M, AF		74,548	37,275	111,822	74,497	76,210	374,352
		Milpers, AF		5,562	39,443	49,569	52,197	53,398	200,169
Grand Total				80,110	76,718	161,391	126,694	129,608	574,521

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	13	104	24	7	0
Enlisted	21	130	325	11	0
Total Military Billets	34	234	349	18	0
Civilian FTE					
FTE	8	0	3	0	0
Grand Total FTE	42	234	352	18	0

Explanation of Changes (from PB23 Savings Projections):

This aircraft divestment continues the Compass Call rehost to commercial derivative aircraft approved in the FY 2017 NDAA and was not initiated in PB23. Additionally, each remaining aircraft in the EC-130H fleet has reached its maximum Program Depot Maintenance (PDM) limit and is on a waiver due to the aircraft retiring. The final aircraft's maximum PDM waiver extended due date is September 30, 2026. To extend the service life of any aircraft in this fleet would cost approximately \$13 million per aircraft and would provide a maximum of two additional years of service life.

Divestment of EC-130J in PB24

Description: Divestment of the EC-130J

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
EC-130J	4	O&M, AF		(7,950)	(7,790)	(8,440)	(8,420)	(8,830)	(41,430)

Force Structure Changes Exhibit

		Milpers, AF		(26,700)	(28,500)	(28,900)	(29,800)	(30,700)	(144,600)
Grand Total				(34,650)	(36,290)	(37,340)	(38,220)	(39,530)	(186,030)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(24)	(24)	(24)	(24)	(24)
Enlisted	(138)	(138)	(138)	(138)	(138)
Total Military Billets	(162)	(162)	(162)	(162)	(162)
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	(162)	(162)	(162)	(162)	(162)

Justification:

EC-130Js are being recapitalized with MC-130Js on a one-for-one basis. All appropriate manpower, aircrew and maintenance, flying hours, and WSS are transitioning to the MC-130J units. MFP-11 pays for the cost per flying hour as well as the Power by the Hour engine contract.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
EC-130J	4	O&M, AF		7,950	7,790	8,440	8,420	8,830	41,430
		Milpers, AF		26,700	28,500	28,900	29,800	30,700	144,600
Grand Total				34,650	36,290	37,340	38,220	39,530	186,030

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	24	24	24	24	24
Enlisted	138	138	138	138	138
Total Military Billets	162	162	162	162	162
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	162	162	162	162	162

Explanation of Changes (from PB23 Savings Projections):

Force Structure Changes Exhibit

This aircraft divestment was not proposed in PB23. The EC-130J have a one-for-one recapitalization with MC-130J. MFP-11 funds majority of the sustainment cost for this aircraft. Buying back this fleet would require additional total end strength, topline funding, and ramp space as these aircraft are being replaced with newly procured aircraft.

Divestment of F-15C/Ds in PB24

Description: Divest F-15C/D

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-15C/D	57	Aircraft Proc, AF	F01500	(81,648)	0	0	0	0	(81,648)
		O&M, AF	011M, 011W,011Y	(555,283)	(793,970)	(745,928)	(756,974)	(766,035)	(3,618,190)
Grand Total				(636,931)	(793,970)	(745,928)	(756,974)	(766,035)	(3,699,838)

Manpower: No manpower FTE savings were identified, as any manpower FTE savings is being reprogrammed within the fighter enterprise.

Justification:

The F-15C/D fleet is nearly 40 years average age, faces significant structural limitations, and is no longer capable of providing air superiority against our pacing threats. To attain the desired fighter fleet, the Air Force must right-size current aircraft inventories to expedite the transition away from less capable, and aging aircraft to prioritize investment in future capabilities, such as the Next Generation Air Dominance (NGAD) Family of systems and F-35 modernization.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-15C/D	57	Aircraft Proc, AF	F01500	81,648	0	0	0	0	81,648
		O&M, AF	011M, 011W,011Y	555,283	793,970	745,928	756,974	766,035	3,618,190
Grand Total				636,931	793,970	745,928	756,974	766,035	3,699,838

Manpower: No additional manpower FTEs were identified, as any manpower FTE is being reprogrammed in the fighter enterprise.

Force Structure Changes Exhibit

Explanation of Changes (from PB23 Savings Projections):

This is a continued divestment from the PB21. Change in procurement savings is based on mods that would be required to keep the divesting aircraft in a mission capable status. Depending upon mod line status, FY 2024 procurement dollars may be phased across the FYDP to accommodate spin-up times.

Divestment of F-15E in PB24

Description: Divestment of F-15E

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-15E	0	Aircraft Proc, AF	F01500	(226,299)	(164,022)	(216,435)	(415,641)	(425,201)	(1,447,598)
		O&M, AF	011M, 011W, 011Y	0	(127,460)	(260,875)	(410,833)	(454,833)	(1,254,001)
		RDT&E, AF		(64,100)	(74,394)	(50,055)	(61,883)	(63,306)	(313,738)
Grand Total				(290,399)	(365,876)	(527,365)	(888,357)	(943,340)	(3,015,337)

Manpower: No manpower FTE savings were identified, as any manpower FTE savings is being reprogrammed within the fighter enterprise.

Justification:

Prioritizing modernization efforts to keep pace with near-peer competitors requires difficult tradeoffs with existing aircraft inventories and programs. The Air Force determined the best mix for the fighter fleet calls for maintaining an F-15E fleet of 99 aircraft with the more powerful engine (F-100-PW-229) and shifting resources to maximize procurement of newer fighters and capabilities.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-15E	0	Aircraft Proc, AF	F01500	226,299	164,022	216,435	415,641	425,201	1,447,598
		O&M, AF	011M, 011W, 011Y	0	127,460	260,875	410,833	454,833	1,254,001
		RDT&E,AF		64,100	74,394	50,055	61,883	63,306	313,738
Grand Total				290,399	365,876	527,365	888,357	943,340	3,015,337

Manpower: No additional manpower FTEs were identified, as any manpower FTE is being reprogrammed in the fighter enterprise.

Force Structure Changes Exhibit

Explanation of Changes (from PB23 Savings Projections):

No restrictive language exists within the FY 2023 National Defense Authorization Act on divestments; this is a continued divestment from FY 2023PB. The FY 2024 President’s Budget request reduces funding for F-15E modification programs, however, maintains funding for 99 Eagle Passive Active Warning Survivability System (EPAWSS) kits, supporting safety of flight and mandate programs. A buyback of F-15E aircraft would require a buyback of additional EPAWSS kits as well (not included in the above table).

Divestment of F-16C/Ds

Description: Divest 125 F-16C/D

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-16C/D	0	O&M, AF	011M, 011W, 011Y	0	(34,100)	(134,838)	(211,581)	(218,613)	(599,132)
		O&M, Reserve	011A	0	(20,276)	(58,109)	(59,773)	(37,396)	(175,554)
		O&M, Guard	011M, 011W, 011F	0	0	(29,628)	(62,782)	(62,885)	(155,295)
		MilPers, AF		0	(11,781)	(79,121)	(96,636)	(87,885)	(275,423)
		MERHC, AF		0	(1,454)	(9,502)	(12,065)	(11,151)	(34,172)
Grand Total				0	(67,611)	(311,198)	(442,837)	(417,930)	(1,239,576)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	(71)	(163)	(163)	(163)
Enlisted	0	(446)	(1,032)	(1,032)	(1,032)
Total Military Billets	0	(517)	(1,195)	(1,195)	(1,195)
Civilian FTE					
FTE	0	70)	(182)	(182)	(182)
Grand Total FTE	0	(587)	(1,377)	(1,377)	(1,377)

Justification:

This divestment targets the pre-block F-16 fleet, the oldest and least capable F-16s, and focuses modernization efforts on the enduring post-block aircraft. By doing so, the Air Force will right-size current aircraft inventories to expedite the transition away from less capable and aging aircraft to prioritize investment in future capabilities.

Force Structure Changes Exhibit

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-16C/D	0	O&M, AF	011M, 011W, 011Y	0	34,100	134,838	211,581	218,613	599,132
		O&M, Reserve	011A	0	20,276	58,109	59,773	37,396	175,554
		O&M, Guard	011M, 011W, 011F	0	0	29,628	62,782	62,885	155,295
		MilPers, AF		0	11,781	79,121	96,636	87,885	275,423
		MERHC, AF		0	1,454	9,502	12,065	11,151	34,172
Grand Total				0	67,611	311,198	442,837	417,930	1,239,576

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	71	163	163	163
Enlisted	0	446	1,032	1,032	1,032
Total Military Billets	0	517	1,195	1,195	1,195
Civilian FTE					
FTE	0	70	182	182	182
Grand Total FTE	0	587	1,377	1,377	1,377

Explanation of Changes (from PB23 Savings Projections):

The divestment profile for the pre-block F-16 fleet changed from PB23 with several units being bought back for the duration of the FYDP.

Divestment of F-22 in PB24

Description: Divestment of F-22 Block 20s

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-22	32	MERHC, AF		(2,700)	(2,900)	(3,000)	(3,000)	(3,000)	(14,600)

Force Structure Changes Exhibit

		Milpers, AF		(45,800)	(47,000)	(48,400)	(48,400)	(48,400)	(238,000)
		O&M, AF	011M, 011W,011Y	(421,800)	(397,800)	(392,200)	(407,600)	(177,300)	(1,796,700)
Grand Total				(470,300)	(447,700)	(443,600)	(459,000)	(228,700)	(2,049,300)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(31)	(31)	(31)	(31)	(31)
Enlisted	(469)	(469)	(469)	(469)	(469)
Total Military Billets	(500)	(500)	(500)	(500)	(500)
Civilian FTE					
FTE	(8)	(8)	(8)	(8)	(8)
Grand Total FTE	(508)	(508)	(508)	(508)	(508)

Justification:

To maintain a competitive advantage in the highly contested environment, the Air Force must continue to invest in capable current platforms while developing the Next Generation Air Dominance (NGAD) family of systems. The divestment of 32 F-22 Block 20 aircraft will redirect funding to combat-capable platforms in the TACAIR portfolio and NGAD development. The FY 2023 NDAA prevented F-22 Block 20 divestment through September 2027. The Air Force is seeking to remove that language from the NDAA to allow divestment in FY 2024.

Buy Back Costs (FY 2024 – FY 2028)

Buy back includes funding for WSS, flying hours, military personnel, and Medicare. WSS is only funded for half of FY 2028 due to planned divestment during that fiscal year.

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
F-22	32	MERHC, AF		2,700	2,900	3,000	3,000	3,000	14,600
		Milpers, AF		45,800	47,000	48,400	48,400	48,400	238,000
		O&M, AF	011M, 011W,011Y	421,800	397,800	392,200	407,600	177,300	1,796,700
Grand Total				470,300	447,700	443,600	459,000	228,700	2,049,300

Force Structure Changes Exhibit

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	31	31	31	31	31
Enlisted	469	469	469	469	469
Total Military Billets	500	500	500	500	500
Civilian FTE					
FTE	8	8	8	8	8
Grand Total FTE	508	508	508	508	508

Explanation of Changes (from PB23 Savings Projections):

These savings projections and buy-back costs are higher than in PB23 due to changed assumptions for weapon system sustainment. WSS funding was reduced in the PB23 on the assumption that the Air Force would divest the 32 F-22s during FY 2023.

Divestment of HH-60G in PB24

Description: Divestment of HH-60G

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
HH-60G	37	Aircraft Proc, AF	H06000	(7,750)	(16,391)	(17,210)	(18,071)	(4,630)	(64,052)
		O&M, AF	011M, 011W,011Y	(92,078)	(310,813)	(339,844)	(355,476)	(55,824)	(1,154,035)
		O&M, Guard	011F, 011M,011W	(17,000)	(19,100)	(24,000)	(25,500)	(26,100)	(111,700)
		O&M, Reserve	011A, 011M,011W	(10,400)	(12,500)	(14,000)	(14,000)	(14,000)	(64,900)
		RDT&E, AF		(33,200)	(34,860)	0	0	0	(68,060)
Grand Total				(160,428)	(393,664)	(395,054)	(413,047)	(100,554)	(1,462,747)

Manpower: No manpower FTE savings were identified, as any manpower FTE savings is being reprogrammed from the HH-60G to the HH-60W.

Justification:

To enable recapitalization, the Air Force is retiring the legacy HH-60G fleet, with savings reinvested toward HH-60W Jolly Green II and future combat search and rescue force modernization.

Force Structure Changes Exhibit

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
HH-60G	37	Aircraft Proc, AF	H06000	7,750	16,391	17,210	18,071	4,630	64,052
		O&M, AF	011M, 011W,011Y	92,078	310,813	339,844	355,476	55,824	154,035
		O&M, Guard	011F, 011M,011W	17,000	19,100	24,000	25,500	26,100	111,700
		O&M, Reserve	011A, 011M,011W	10,400	12,500	14,000	14,000	14,000	64,900
		RDT&E, AF		33,200	34,860	0	0	0	68,060
Grand Total				60,428	393,664	395,054	413,047	100,554	1,462,747

Manpower: No additional manpower FTE requirements were identified, as any manpower FTE requirements would be retained for the HH-60G if necessary.

Explanation of Changes (from PB23 Savings Projections):

There are no changes from the PB23 savings projections as this is a continued divestment from PB21.

Divestment of KC-10 in PB24

Description: Divestment of the KC-10 Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
KC-10	24	O&M, AF	011M, 011W,011Y	(196,170)	(379,179)	(415,934)	(428,421)	(441,290)	(1,860,994)
		O&M, Reserves	011A, 011M,011W	(35,550)	(37,686)	(38,816)	(39,981)	(41,180)	(193,213)
Grand Total				(231,720)	(416,865)	(454,750)	(468,402)	(482,470)	(2,054,207)

Force Structure Changes Exhibit

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(106)	(106)	(106)	(106)	(106)
Enlisted	(713)	(748)	(748)	(748)	(748)
Total Military Billets	(819)	(854)	(854)	(854)	(854)
Civilian FTE					
FTE	(29)	(34)	(34)	(34)	(34)
Grand Total FTE	(848)	(888)	(888)	(888)	(888)

Justification:

KC-10 is part of the overall tanker recapitalization plan. KC-46s are on-boarding and replacing KC-10/KC-135 at a one-for-one exchange. There are no tanker divestments that reduce capacity below the congressionally mandated floor (the Air Force is maintaining a fleet of 466 aircraft). All manpower, aircrew and maintenance, flying hours, and WSS are transitioning to the KC-46 units.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
KC-10	24	O&M, AF	011M, 011W,011Y	196,170	379,179	415,934	428,421	441,290	1,860,994
		O&M, Reserves	011A, 011M,011W	35,550	37,686	38,816	39,981	41,180	193,213
Grand Total				231,720	416,865	454,750	468,402	482,470	2,054,207

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	106	106	106	106	106
Enlisted	713	748	748	748	748
Total Military Billets	819	854	854	854	854
Civilian FTE					
FTE	29	34	34	34	34
Grand Total FTE	848	888	888	888	888

Explanation of Changes (from PB23 Savings Projections):

Costs is shown across the full FYDP vs one-year delay and includes 24 aircraft buyback/divestment in PB24 and not ten aircraft.

Force Structure Changes Exhibit

Divestment of KC-135R/T in PB24

Description: Divestment of the KC-135R/T

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
KC-135R/T	0	O&M, AF	011M, 011W,011Y	0	(95,474)	(229,363)	(382,726)	(568,246)	(1,275,809)
		O&M, Reserves	011A, 011M,011W	0	0	(41,144)	(91,650)	(93,300)	226,094)
				0	0	0	0	(31,098)	(31,098)
Grand Total				0	(95,474)	(270,507)	(474,376)	(692,644)	(1,533,001)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	(13)	(58)	(105)	(136)
Enlisted	0	(27)	(105)	(555)	(834)
Total Military Billets	0	(40)	(163)	(660)	(970)
Civilian FTE					
FTE	0	0	(45)	(112)	(237)
Grand Total FTE	0	(40)	(208)	(772)	(1,207)

Justification:

KC-135R/T is part of the overall tanker recapitalization plan. KC-46s are on-boarding and replacing KC-10/KC-135 at a one-for-one exchange. There are no tanker divestments that reduce capacity below the congressionally mandated floor (the Air Force is maintaining a fleet of 466 aircraft). All manpower, aircrew and maintenance, flying hours, and WSS are transitioning to the KC-46 units.

Force Structure Changes Exhibit

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
KC-135R/T	0	O&M, AF	011M, 011W,011Y	0	95,474	229,363	382,726	568,246	1,275,809
		O&M, Reserves	011A, 011M,011W	0	0	41,144	91,650	93,300	226,094
				0	0	0	0	31,098	31,098
Grand Total				0	95,474	270,507	474,376	692,644	1,533,001

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	13	58	105	136
Enlisted	0	27	105	555	834
Total Military Billets	0	40	163	660	970
Civilian FTE					
FTE	0	0	45	112	237
Grand Total FTE	0	40	208	772	1,207

Explanation of Changes (from PB23 Savings Projections):

The PB23 savings projection showed only aircraft that were being divested without recapitalization which occurred only in FY 2023 and accounted for 13 aircraft across the FYDP. The PB24 savings projection is depicting the full divestment of aircraft even if recapped with the KC-46A and accounts for 64 aircraft.

Divestment of MQ-9 in PB24

Description: Divest 48 MQ-9 Block 1s in FY 2024, divest 13 MQ-9 Block 5s in FY 2026, and divest 59 MQ-9 Block 5s in FY 2027

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
MQ-9	48	O&M, AF	011M, 011W,011Y	0	0	0	0	0	0
Grand Total				0	0	0	0	0	0

Manpower: No manpower FTE savings were identified.

Force Structure Changes Exhibit

Justification:

Divestment of MQ-9 Block 1s is consistent with previous year reductions, and divestment of MQ-9 Block 5 is necessary to maintain a right-sized fleet that fulfills the Global Force Management Allocation Plan (GFMAP) offering of MQ-9 Combat Lines (CLs). Block 1s are older versions of the MQ-9 being replaced by the newer Block 5. There are no cost savings associated with divestment as they are excess-to-need and MQ-9 costs are linked to CLs and operational tempo dictated by GFMAP, not number of aircraft available. Block 1 aircraft will be transferred out of the service to align maintenance training to an all-Block 5 fleet.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
MQ-9	48	O&M, AF	011M, 011W, 011Y	0	0	0	0	0	0
Grand Total				0	0	0	0	0	0

Manpower: No manpower FTE requirements were identified.

Explanation of Changes (from PB23 Savings Projections):

No projected savings as PB24 reversed the combat line reduction and directed the USAF to maintain the current combat line capacity for FY 2025 and FY 2026. Combat line capacity is the largest cost driver for O&M.

Divestment of RQ-4

Description: Divest one RQ-4 in FY 2024 and nine in FY 2027

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
RQ-4	1	O&M, AF	011M, 011W, 011Y	0	0	0	(532,885)	(556,912)	(1,089,797)
		RDT&E, AF		0	0	0	0	0	0
Grand Total				0	0	0	(532,885)	(556,912)	(1,089,797)

Force Structure Changes Exhibit

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	(87)	(130)	(130)
Enlisted	0	0	(578)	(726)	(726)
Total Military Billets	0	0	(665)	(856)	(856)
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	0	0	(665)	(856)	(856)

Justification:

This divestment of the RQ-4 Blk-40 provides funds for higher priorities in the Future Years Defense Program (FYDP). The RQ-4 Blk-40 is a high altitude, long range, and long endurance aircraft that provides Synthetic Aperture Radar-based Ground Moving Target Indication (SAR/GMTI) to local and theater commanders. PB22 divested all 20 RQ-4 Blk-30s leaving nine Blk-40s in the inventory. The associated manpower allotted for the Blk-40s in FY 2026 will become available to invest in future penetrating and survivable ISR capabilities.

Buy Back Costs (FY 2024 – FY 2028)

Buyback costs for the RQ-4 consist of O&M funds, covering daily operations and maintenance of the airframe, and \$6 million RDT&E funds annually in FY 2027 and beyond to fund systems engineering and program office costs associated with the platform’s small fleet dynamics. A total of 856 billets will be available upon divesting the RQ-4. No significant impacts are expected.

This estimate assumes no Diminishing Manufacturing Sales issues or major equipment failures, as well as the granting of a Red Key Extension Request from the DoD CIO for unsupported navigation equipment. In the event this request is not granted, an estimated cost of \$15 million over a 24-month period of performance is estimated to fund a materiel solution to prevent fleet grounding.

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
RQ-4	1	O&M, AF	011M, 011W,011Y	0	0	0	532,885	556,912	1,089,797
		RDT&E, AF		0	0	0	6,000	6,000	6,000
Grand Total				0	0	0	538,885	562,912	1,095,797

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FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	0	0	87	130	130
Enlisted	0	0	578	726	726
Total Military Billets	0	0	665	856	856
Civilian FTE					
FTE	0	0	0	0	0
Grand Total FTE	0	0	665	856	856

Explanation of Changes (from PB23 Savings Projections):

PB22 took the manpower allotted for the Blk-40s in FY 2026 to invest in future penetrating and survivable ISR capabilities. FY 2028 would be a logical extension into a year that was not yet in the FYDP at that time.

Divestment of T-1A in PB24

Description: Divestment of T-1A.

Cost Avoidance Savings (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
T-1A	52	Aircraft Proc, AF	T01000	(8,679)	(179)	(183)	(186)	(190)	(9,417)
		O&M, AF	011M, 011W, 011Y	(72,776)	(133,318)	(135,985)	(138,974)	(141,478)	(622,531)
Grand Total				(81,455)	(133,497)	(136,168)	(139,160)	(141,668)	(631,948)

FTE Savings	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	(34)	(55)	(55)	(55)	(55)
Enlisted	0	0	0	0	0
Total Military Billets	(34)	(55)	(55)	(55)	(55)
Civilian FTE					
FTE	(106)	(106)	(106)	(106)	(106)
Grand Total FTE	(140)	(161)	(161)	(161)	(161)

Justification:

The Air Force continues to pursue better ways to train aircrews, to better prepare our pilots to operate modern platforms. Advances in the T-6 trainer, modern platforms and game-changing technologies enable us to move to a syllabus that trains students on a single

Force Structure Changes Exhibit

aircraft. This training shift allows divestment of T-1 aircraft, in lieu of funding the impending engine replacement and recapitalization plus avionics upgrades including mandatory Automatic Dependent Surveillance-Broadcast installations, without affecting pilot production capacity.

Buy Back Costs (FY 2024 – FY 2028)

Divestment	QTY	APPN	BLI	FY2024 (\$K)	FY2025 (\$K)	FY2026 (\$K)	FY2027 (\$K)	FY2028 (\$K)	FYDP (\$K)
T-1A	52	Aircraft Proc, AF	T01000	8,679	179	183	186	190	9,417
		O&M, AF	011M, 011W, 011Y	72,776	133,318	135,985	138,974	141,668	622,721
Grand Total				81,455	133,497	136,168	139,160	141,858	632,138

FTE Buy Back Costs	FY2024	FY2025	FY2026	FY2027	FY2028
Military E/S					
Officer	34	55	55	55	55
Enlisted	0	0	0	0	0
Total Military Billets	34	55	55	55	55
Civilian FTE					
FTE	106	106	106	106	106
Grand Total FTE	140	161	161	161	161

Explanation of Changes (from PB23 Savings Projections):

This is not a new decision in FY 2024; this is the second year of divestment from the earlier decision. In FY 2026, the Air Force will complete divesting all T-1s from Undergraduate Pilot Training (UPT) at: Columbus Air Force Base (AFB), Mississippi, Laughlin AFB, Texas, Randolph AFB, Texas and Vance AFB, Oklahoma. The Air Force retains the 21 T-1 aircraft supporting undergraduate combat systems officer training at Naval Air Station Pensacola, Florida.

US Special Operations Command (SOCOM) – USSOCOM did not submit any ship divestments or retirements in FY 2024. US SOCOM submitted 26 aircraft divestments for a cost avoidance savings of \$36.1 million. US SOCOM aircraft divestments for PB24 include:

Divestment of EC-130J, PC-12, MC-12W and A/MH-6M in FY 2024

Description: Divestment of EC-130J, PC-12, MC-12W and A/MH-6M

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Divestment / Retirement	QTY	APPN	FY 2023 (\$K)	FY 2024 (\$K)	FY 2025 (\$K)	FY 2026 (\$K)	FY 2027 (\$K)	FYDP (\$K)
EC-130J	4	O&M, DW	(2,500)	0	0	0	0	(2,500)
PC-12	1	O&M, DW	0	0	0	0	0	0
MC-12W	4	O&M, DW	(29,700)	0	0	0	0	(29,700)
A/MH-6M	17	O&M, DW	(3,900)	0	0	0	0	(3,900)
Grand Total	26		(36,100)	0	0	0	0	(36,100)

Justification:

USSOCOM plans to divest of multiple aircraft in FY 2024. Simultaneous divestment of legacy aircraft and fielding of new aircraft will significantly improve aircraft reliability, performance, and safety to respond to domestic and international missions.

Explanation of Changes (from PB23 Savings Projections):

There were no projected savings in PB23 for these aircraft, so there are no changes. These are planned divestments and any sustainment and/or maintenance savings are being reinvested in fleet modernization efforts.

