

DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2017

WEDNESDAY, MARCH 2, 2016

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 10:31 a.m., in room SD-192, Dirksen Senate Office Building, Hon. Thad Cochran (chairman) presiding.

Present: Senators Cochran, Collins, Graham, Blunt, Daines, Durbin, Reed, and Schatz.

DEPARTMENT OF DEFENSE

DEPARTMENT OF THE NAVY

OFFICE OF THE SECRETARY

STATEMENT OF HON. RAY MABUS, SECRETARY

OPENING STATEMENT OF SENATOR THAD COCHRAN

Senator COCHRAN. The Committee of the Appropriations Subcommittee for Defense Appropriations meets this morning to review the fiscal year 2017 Navy and Marine Corps budget request.

We're pleased to welcome to our distinguished panel of witnesses to help us review and understand the budget request for the United States Navy and Marine Corps.

We're pleased, specifically, to welcome to the Committee, the Honorable Ray Mabus, the Secretary of the Navy, Admiral John M. Richardson, Chief of Naval Operations and General Robert B. Neller, Commandant of the Marine Corps.

This is Admiral Richardson's and General Neller's first appearance before the subcommittee since becoming Chief of Naval Operations and Commandant of the Marine Corps.

We're pleased to welcome you both.

We also welcome our fellow Mississippian, Secretary of the Navy, Ray Mabus, back to the subcommittee. We appreciate your joining us today and providing your testimony, Mr. Secretary.

For fiscal year 2017 the President's budget requests \$155 billion in base funding to support the Navy and Marine Corps. The request is \$5 billion less than the current funding level.

The request also includes \$9.5 billion to support ongoing, Overseas Contingency Operations. These funds will support deployment of Sailors and Marines throughout the world and sustain ongoing operational commitments.

We appreciate your efforts to help maintain a robust shipbuilding budget. Specifically, we welcome the inclusion of full funding for the *Ohio*-Class Replacement Program within the Navy's regular budget request for fiscal year 2017 through fiscal year 2021.

We appreciate your service to our Nation. We look forward to working with you as we prepare and report the fiscal year 2017 Defense Appropriations bill that will enable the Navy and Marine Corps to defend our national security interests around the world.

Thank you very much for your testimony and your cooperation with our Committee.

Your full statements will be included in the record.

We would now be prepared to yield to the distinguished Vice Chairman of the Committee, Senator Durbin, for his opening remarks.

STATEMENT OF SENATOR RICHARD J. DURBIN

Senator DURBIN. Thanks, Mr. Chairman and I'll make my remarks brief and put the statement in its entirety in the record.

I'm pleased to join you in welcoming Secretary Mabus, Admiral Richardson and General Neller to our hearing to review the Navy budget request for fiscal year 2017.

At the outset let me say, Mr. Secretary and Admiral, we are proud that our country's Sailors get their start in Illinois at Naval Station Great Lakes. It is a magnificent facility and some extraordinary people work there to serve our Nation and prepare the next generation of Sailors. We want to continue to work with you to make sure the quality of life for all that are part of that operation is at the very highest level. And we will continue to do that.

General Neller, when it comes time for questions you and I will spend a few moments recalling one of our first conversations about the terrible tragedy that occurred in Hawaii in January of this year with the crash of two CH-53, heavy lift helicopters. I have a number of questions I want to ask that may as well be answered by the Secretary concerning that incident and Naval Aviation and Marine Corps Aviation as well.

But at this point I'll turn it back over to the Chairman. We can proceed with the hearing.

[The statement follows:]

PREPARED STATEMENT OF SENATOR RICHARD J. DURBIN

Mr. Chairman, I am pleased to join you in welcoming Secretary Mabus, Admiral Richardson, and General Neller to our hearing to review the Navy's budget request for fiscal year 2017.

I would note at the outset that the Senate is still considering the nomination of Dr. Janine Davidson to be Under Secretary of the Navy. She is a very capable nominee.

She was nominated in September, and was voted out of committee in December. I know you would appreciate having a full team onboard to deal with today's challenges, and I hope the Senate will act swiftly to confirm her.

Every year, when a new budget is submitted, it seems the recurring refrain that we hear from each of the Services is that this is a tough budget year. I expect this year to be no different.

Americans ask a lot of our Navy and Marine Corps, including long deployments at sea and in war zones for the women and men who have signed up to serve their country.

I am proud that our country's Sailors get their start in Illinois at Naval Station Great Lakes.

These Sailors and their Marine partners are expected to be a source of geopolitical stability across the globe. They are called upon to reassure allies and deter enemies. We look to them to calm territorial disputes and defend against threats to maritime commerce.

They provide humanitarian assistance in the wake of disasters. And they are a critical counter to terrorist and criminal networks.

This is a constant and complex set of demands. We should not and cannot underestimate the toll it creates on people, aircraft, ships, and infrastructure.

Preparing for today is even more difficult when we are also called upon to prepare for tomorrow through investments in future capabilities and technologies. Congress has not made this easy, barely avoided sequestration through a string of short-term budget deals.

One area I am concerned about, General Neller, is the conversations we have had about the health of the Marine Corps' aircraft. Many helicopters were left overseas too long and took quite a beating operating in sandy conditions. They need to be repaired and they need to be replaced.

We were all heartbroken to learn of January 2016 crash of two CH-53 Heavy Lift helicopters off the coast of Hawaii. I am concerned about what incidents like these may imply about the broader force.

I also talked with your predecessor, General Dunford, about concerns with maintaining older F-18 aircraft. We have to remain vigilant in ensuring the safety of our force, and aviators should be priority number one.

On the more positive side, the Navy has provided the necessary funding within its 5 year budget plans to start construction of the *Ohio*-class replacement submarines in 2021.

These submarines are an indispensable part of our Nation's nuclear deterrence. But there are valid concerns about how much the total program will cost—perhaps \$80 billion in procurement over the next three decades—as well as the transparency in budgeting for these costs in the future.

As the *Ohio*-class replacement program progresses, we will be interested in hearing about the cost saving initiatives you plan to implement on this program, how you plan to get the best performance out of our industrial partners, and what we can do to set this program up for success.

Secretary Mabus, Admiral Richardson, and General Neller, the affordability of new submarines and the safety of old aircraft are only two of the myriad of issues you have to address on a daily basis as you lead the most powerful fighting forces on the seas today.

I look forward to hearing about solutions for the today's issues, how you will calm the seas for tomorrow's Navy and Marine Corps.

Senator COCHRAN. Thank you.

Thank you.

Mr. Secretary, you may proceed.

SUMMARY STATEMENT OF HON. RAY MABUS

Mr. MABUS. Mr. Chairman, Ranking Member Senator Durbin and members of the Committee, thank you so much for the opportunity to discuss the Department of the Navy.

As the Chairman pointed out this is the first testimony for our Chief of Naval Operations, John Richardson and for the Commandant of the Marine Corps, Robert Neller.

In the time since they took these positions I've had the privilege of their frank, their professional, their invaluable counsel. They're officers of the highest caliber who expertly lead our Navy and Marine Corps during ever tightening fiscal constraints and an increasingly dynamic threat environment.

This is my seventh time to appear before you and my last. For me, leading the Department of the Navy is the greatest honor of my life. I couldn't be more proud of our Sailors, our Marines and our civilians.

I'm also proud of the many steps we've taken and changes we've made to ensure that the Navy and Marine Corps in the future re-

main the greatest expeditioner fighting force the world has ever known.

First and foremost, we continue to provide presence that unrivaled advantage, all and above, beneath and from the seas, gives our leaders options in times of crisis, reassures our allies and deters our adversaries. There is no next best thing to being there. Maintaining that presence requires grey hulls on the horizon.

While there's been discussion about posture versus presence, the simple fact is, for the Navy and Marine Corps, our posture is presence.

In every case from high-end combat or irregular warfare to disaster relief, our Naval assets get there faster. We stay on station longer. We take everything we need with us. And since we operate from our ships which are sovereign American territory, we can act without having to ask anyone else's permission.

That's the U.S. Navy and Marine Corps, America's away team, doing its job.

Resourcing that presence depends on four fundamentals: people, our Sailors and Marines; platforms, our ships and aircraft and systems; power, how we use energy to make us better war fighters; and partnerships, our relationships with our international allies, industry and the American people.

When I took this post 7 years ago we had an incredibly committed and capable force but each of these four Ps was under pressure.

Our people were under stress from high operational tempo and extended deployments. Our fleet was shrinking and too many of our platforms were costing too much. Our use of power was a vulnerability. We were losing too many Marines guarding fuel convoys in Afghanistan and volatile oil prices were stressing many areas, particularly training. And our partners were seeking reassurance of our sustained engagement.

Now our people, platforms, power and partnerships are stronger than they've been in many years. We've instituted the most sweeping changes in personnel policy for our people in many years.

Promotions are based more on merit and not tenure. Commanding officers are empowered to meritoriously promote more Sailors and Marines. We've made career paths more flexible. One example, thanks to you, is the Career Intermission Program which has been dramatically expanded.

Senator Durbin, I'm going to depart here for a second and talk about Great Lakes because the Master Chief Petty Officer of the Navy is seated right behind me. And thanks to an idea he had every recruit that goes through there now gets a tablet that they keep for their career so that they will have access to all their military records and so they can be updated continuously on any education or information that they need.

And that's one of the examples of how our Sailors get a great start in Illinois.

We've also increased the professional development and educational opportunities to bring America's best ideas to the fleet by adding 30 graduate school slots through our Fleet Scholars Education Program and sending high performing Sailors on SECNAV

Industry Tours to great American companies where they learn private sector best practices.

We're absolutely committed, from leadership to the deck plates, on combating the crime of sexual assault and the tragedy of suicide. We've revamped physical fitness assessments, making them more realistically aligned to the jobs we do and we promoted healthier lifestyles through better nutrition and a culture of fitness.

All billets in both services are now open to women. Standards will absolutely not be lowered but anyone who can meet the standards will be able to do the job. This will make us more combat effective as a force.

We're trying to mitigate stress on Sailors and Marines and their families by making deployments more predictable, extending hours for child care and establishing co-location policies.

For platforms, we reversed the decline in ship count. And thanks to Congress and in particular to this Committee, our Navy will reach 300 ships by 2019 and our assessed and validated of 308 by 2021.

In the 7 years before I took office, the Navy contracted for 41 ships. In my 7 years we've contracted for 84 and we've done so while increasing aircraft purchases by 35 percent, all with a smaller top line.

Practices like for oil—fixed price contracts, multiyear buys and stable requirements, have driven down the cost on virtually every class of ship. And we're also in the process of recapitalizing nearly every Naval aviation program.

We've expanded unmanned systems on, under and above the sea and we've put increased focus on them organizationally.

We're also implementing advanced energy technologies like rail guns and lasers.

To increase our lethality and operational flexibility I set goals of having 50 percent of sea and shore based energy derived from alternative sources by 2020, competitive with the price of conventional power. We met that goal last year on our bases and we will meet it in the fleet by 2020.

And energy efficiency is being greatly increased on our bases and at sea. Both Navy and Marine Corps have achieved a large drop in oil consumption.

Finally, partnerships, I've traveled almost 1.2 million miles to 144 different countries and territories visiting Sailors and Marines, visiting our allies and our partners. Twelve of my trips have been to Afghanistan where I visited every Marine Corps forward operating base in Helmand to be with our forward deployed men and women. And I've actively engaged with our allies and friends around the world to build and sustain a network of Navies with whom we train, operate and trust, and we've worked in partnership with Congress to fulfill the constitutional mandate to provide for and maintain a Navy.

As a result, our Sailors and Marines are there for us at home and abroad, around the globe, around the clock.

As President George Washington once said, "It follows then as certain as night succeeds day that without a decisive Naval force we can do nothing definitive and with it everything honorable and glorious."

Thank you, Mr. Chairman.
[The statement follows:]

PREPARED STATEMENT OF HON. RAY MABUS

Chairman Cochran and Vice Chairman Durbin, members of the Committee, thank you for the opportunity to discuss the readiness and posture of the Department of the Navy. With Chief of Naval Operations John Richardson and Commandant of the Marine Corps Bob Neller, I have the great privilege of representing the Sailors and Marines who serve our Nation around the world, the civilians who support them and all of their families.

This is the first testimony before this committee for Admiral Richardson and General Neller in these positions. In the time since they took these critical posts, I have had the privilege of their frank, professional and invaluable counsel. They are officers of the highest caliber who expertly lead our Navy and Marine Corps during ever-tightening fiscal constraints and an increasingly dynamic threat environment.

This is my eighth time, and my last, to appear before you. For me, leading the Department of the Navy is the greatest honor of my life. I could not be more proud of our Sailors, Marines, and civilians. I'm also proud of the many steps we've taken and changes we've made to ensure that the Navy and Marine Corps remain as they have been for over 240 years as the greatest expeditionary fighting force the world has ever known.

This statement, together with those provided by Admiral Richardson and General Neller, presents to you and to the American people an overview of the Department of the Navy and highlights our priorities as we move forward with the fiscal year 2017 budget process. As the Secretary of the Navy, I am responsible for recruiting, training, and equipping the Sailors, Marines, and civilians who spend every day working to defend the American people and our national interests.

Every year, as we review our current posture, we must ask ourselves, as a Department, as a military, and as a Nation, how to balance our national security demands. We face an increasing array of threats, conflicts and challenges around the globe, even as our fiscal and budgetary situation continues to strain resources. Consistently, when a crisis occurs, the leaders of this country want immediate options, so they ask for the Navy and Marine Corps, for our carrier strike groups and our amphibious ready groups, for our Sailors and Marines, for our presence. With 90 percent of global trade traveling by sea, 95 percent of all voice and data being transferred under the ocean and more than 80 percent of the world's population living within 60 miles of the sea, there is no question that now, more than ever, we are living in a maritime century.

THE VALUE OF PRESENCE

What our Navy and Marine Corps uniquely provide is presence—around the globe, around the clock—ensuring stability, deterring adversaries, and providing the Nation's leaders with options in times of crisis. We are "America's away team" because Sailors and Marines, equally in times of peace and war, are deployed around the world to be not just in the right place at the right time but in the right place all the time. In every case, from high-end combat to irregular warfare to disaster relief, our naval assets get on station faster, we stay longer, we bring whatever we need with us and, since we operate from our ships, which are sovereign American territory, we can act without having to ask any other nation's permission. While there has been discussion about posture versus presence, the simple fact is that for the Navy and Marine Corps, our posture is presence.

For more than seven decades, Navy and Marine Corps presence has kept international sea lanes open around the world. For the first time in history, one nation—America—is protecting trade and commerce not just for ourselves and our allies but for everyone. Today, \$9 trillion in goods are traded by sea annually, supporting 40 million jobs in the U.S. alone and benefiting nearly every consumer on earth. These statistics make it clear that the health of the world's economy depends in large part on the United States Navy and Marine Corps.

The security and stability of the international system of trade and finance is tied irrevocably to the free movement of goods and data across, above and under the sea, and is more than just a military concern. It impacts every American in the prices we pay for goods and services and the very availability of those goods and services. While the Navy's activities often take place far away and out of sight of most citizens, the impact of our global naval presence isn't a theoretical construct; its effects are palpable throughout American life.

The economic benefit is just one that comes from our Sailors and Marines doing their job across the globe. That ubiquitous presence reassures our allies and deters our adversaries. And, if conflict comes, we will fight and win. Our presence is an unrivaled advantage that we provide our Nation. There is no “next best thing” to being there. Maintaining that presence requires gray hulls on the horizon.

With each year’s budget decisions, we determine what the future Navy and Marine Corps will look like. Just as the Fleet and Corps we have today are the result of decisions made a decade ago, so will tomorrow’s Fleet and Corps be a result of the decisions we make today. For this reason, we have to balance the needs of our Navy and Marine Corps today with those of our Nation tomorrow.

Our combatant commanders understand the critical expeditionary capability the Navy and Marine Corps team brings to the fight. Whether we are conducting security cooperation around the world, deploying Marines in response to a humanitarian crisis or launching strikes from our carriers, it is clear Navy and Marine Corps presence provides great value to our decision makers and our Nation. The emergence of a diverse set of challenges, including Russia, North Korea, China, Iran and ISIS demands continued emphasis on our Naval and expeditionary forces. We absolutely cannot afford to forfeit the capabilities of our future maritime power and superiority.

AROUND THE GLOBE, AROUND THE CLOCK

You only need to look around the world to see our Navy and Marine Corps are first on-station and demonstrate an instrumental and prominent role in our national security strategy.

For the first 54 days of the air campaign against Islamic State militants in Iraq and Syria, the only strikes came from Navy F/A-18 Hornets off USS *George H.W. Bush* in the Arabian Gulf because land-based fighters could not participate until host nations approved.

During a 10-month deployment ending in June 2015, USS *Carl Vinson* Strike Group conducted 12,300 sorties, including 2,383 combat missions against Islamic State of Iraq and Syria (ISIS).

The operational tempo of Naval Special Operations Forces (NAVSOFF) remains high, as they continue operations in the Middle East, Horn of Africa, and Central Asia. NAVSOFF is manning the Combined Joint Special Operations Task Force-Iraq and deploying forces to Afghanistan.

In March 2015, USS *Gary* intercepted a suspected narcotics-trafficking vessel off the coast of Central America and seized 5,200 kilograms of cocaine.

In July 2015, USS *Porter* entered the Black Sea to reassure NATO allies of our commitment to regional stability by conducting naval exercises with ships from 30 different nations including Spain, Portugal, France, Turkey, Greece and Bulgaria.

Last fall, as a visible demonstration of our commitment to maintaining freedom of navigation for everyone, USS *Lassen* patrolled the Spratly Islands and nearby artificial reefs in the South China Sea. USS *Curtis Wilbur* conducted similar freedom of navigation operations by patrolling near the disputed Triton Island earlier this year.

When tensions rose in Yemen last summer, Marines embarked with Sailors on-board Navy craft to shore up security and surveillance in surrounding waters in preparation for a potential crisis.

The 31st Marine Expeditionary Unit (MEU) deployed to Saipan to provide Defense Support to Civil Authorities after Typhoon SOUDELOR killed 30 people and displaced 150,000 others in the Commonwealth of the Northern Marianas.

Within 40 hours of President Obama’s order, a Special Purpose Marine Air-Ground Task Force deployed Marines, Sailors, aircraft and equipment to Liberia to respond to the Ebola crisis, providing critical airlift and surgical capability as part of U.S. disaster relief efforts.

Maritime presence has been a tenet of our democracy since its inception; the founding fathers wrote in the Constitution that Congress is authorized to “raise” an Army when needed, but mandated it “maintain” a Navy. Maintaining our great Navy and Marine Corps is what assures Americans at home, our friends and allies, as well as our adversaries that we are ready to respond when called upon to any crisis, anywhere.

Early on in my tenure as Secretary, I outlined four principles that enable our Navy and Marine Corps’ to sustain their global presence. They are People, Platforms, Power and Partnerships. Those have been, and continue to be, the key factors in assuring the capability, capacity and success of our naval services, which is why they have been, and will remain, my top priorities.

People—Sustaining the World’s Most Formidable Expeditionary Fighting Force

The Sailors, Marines, and civilians serving today are the best force we’ve ever had. But for more than a decade we asked a lot of everyone, because unlike other services, we deploy equally in peacetime and wartime. There are no permanent homecomings for Sailors and Marines. Despite all we’ve asked, they have performed magnificently. We’ve taken steps to maintain the health and resilience of our force across every facet of the Department. We have addressed issues like operational readiness levels, personal well-being for our people and their families, creating more options for career flexibility, opening new slots for graduate education, improving our advancement process, and promoting equality of opportunity. We have made the Navy and Marine Corps stronger, focused not only on retaining the incredible expertise and professionalism that resides within these two services, but also that draws from the broadest talent pool America has to offer.

Our Sailors and Marines make Navy and Marine Corps presence possible by operating the platforms, harnessing the power, and building the partnerships necessary to fulfill our national security strategy. Seven years ago when I took office, we had a committed and capable force, but our people, and our platforms, were under stress from high operational tempo and extended deployments.

To return stability to our Sailors, Marines, their families, and to our maintenance cycles, one of our first priorities was to develop and institute the Optimized Fleet Response Plan (OFRP). This is a program that the Navy is using to schedule and plan our deployments and the maintenance of our platforms. Entering its third year since implementation, OFRP is beginning to fully demonstrate its advantages to the Fleet. USS *Eisenhower* Carrier Strike Group and USS *Makin Island* Expeditionary Strike Group will be first to deploy later this year entirely under the OFRP. Our men and women know there is no way to completely eliminate the unexpected, because events around the world can and do take on a life of their own. However, increasing the predictability of deployments will help improve resilience in our Sailors and Marines and their families and also has the added benefit of helping us properly support our maintenance requirements and readiness posture.

Under the OFRP, we continue to meet all operational commitments, and Sailors, Marines, and their families are giving us positive feedback on this and other initiatives like increases to Hardship Duty Pay—Tempo (HDP-T), a pro-rated additional pay that kicks in when a deployment extends beyond more than 220 consecutive days, and Career Sea Pay, paid to those who have spent a total of 3 years at sea and Career Sea Pay-Premium for those E-6 and above who have spent a total of 8 years in sea-going assignments. These incentives reward those who take the hard and challenging billets at sea, which form the backbone of our operations.

Taking care of our people is about more than just operational stability. Through our 21st Century Sailor and Marine Initiative, implemented in 2012, we have provided a holistic approach to assuring we have the healthiest, fittest, and most resilient force in the world. We have focused on helping our Sailors and Marines maximize their personal and professional readiness by assisting them and their families with the mental, physical and emotional challenges of military service. Eliminating the stovepipes that existed between many of the programs designed to support our people allows us to better address issues like suicide and sexual assault in a comprehensive way that protects our Sailors and Marines and makes them stronger.

In suicide prevention, we are continuing to accelerate our efforts in 2016 by becoming more assertive on early recognition, education and open dialogue to promote climates supportive of psychological health. We are expanding our Ask, Care, Treat (ACT) initiative that focuses on training, counseling, and intervention. To date, over 40,000 Sailors have received training via Navy Operational Stress Control (OSC) courses. And our partnerships with the Navy and Marine Corps Public Health Center, the Defense Suicide Prevention Office, and the Bureau of Navy Medicine and Surgery have maximized our public health approach to suicide prevention. Furthermore, we are adding to the nearly 800 Suicide Prevention Coordinators (SPC) trained in 2015, enhancing local suicide prevention efforts at the deckplate by having a qualified program advocate at nearly every command.

Sexual assault is a crime with devastating impacts to the Navy and Marine Corps. Every Sailor and Marine deserves a working environment respectful of all, completely intolerant of sexual assault, and supported by programs of prevention, advocacy, and accountability. So we’ve implemented many actions to attack this insidious threat. While there is still work to be done, we have instituted an increasingly effective Sexual Assault Prevention and Response program and Victim’s Legal Counsel, which together encourage increased reporting and provide critical support to those who come forward, and I am the only Service Secretary who has my Sexual Assault Prevention Response Officer report directly to me. We are also taking steps to prevent and respond to perceptions of retaliation or ostracism on the part of the

courageous people who report these crimes—whether by the chain of command or peers.

Our Sexual Assault Prevention and Response programs are many and varied. Through our InterACT Bystander intervention training we've educated more than 52,000 Sailors and Marines at 220 training events on how to stop a potentially dangerous scenario from leading to an assault. Our Navy Chaplain Corps has teamed with clinicians to establish CREDO, a 48-hour retreat event with workshops focused on teamwork, community building, personal resiliency and reconciliation. In-person education is augmented by numerous interactive training tools available to all Sailors and Marines ashore and afloat. But no matter how much we've done and continue to do, we will not consider our mission a success until this crime is eliminated.

Protecting our Department from instability and destructive and illegal behavior is important, but equally important is promoting healthy lifestyles that result in a more capable and ready fighting force. Our high operational tempo demands a year-round culture of fitness. So we have completely revamped the Physical Fitness Assessment to focus on producing warfighters, capable of accomplishing any mission any time, a measure that not only improves readiness but reduces overall medical costs. To set Sailors and Marines up for success, we opened a 24-hour a day, 7-day a week gym on every base worldwide and we began issuing the Navy Fitness Suit, a uniform item the Marines already have. Sailors earn Fitness Suit patches for outstanding performance, and those who maintain that level of performance over three cycles receive the "Outstanding Fitness Award."

To complement physical training with well-balanced diets, we've increased efforts to provide nutritious food options to Sailors and Marines at sea and ashore. In 2012, the Marines introduced the "Fueled to Fight" nutrition program, designed to promote a healthy lifestyle by providing more nutritious food choices. At base dining facilities, a labeling system identifies healthier options and enhances the Marine's ability to make a healthy choice. The Navy also created their version, called, "Fuel to Fight," launched by the SEALs at Naval Amphibious Base Little Creek, which increases the availability of lean-proteins, vegetables, and complex carbohydrates in our galleys. We are further developing the concept at one sea-based and one shore-based unit this year and will implement it Fleet-wide in 2017.

Part of overall health is emotional health. In order for Sailors and Marines to remain focused on the mission, they should not be distracted by concerns about their home life. The Department of the Navy takes very seriously its commitment to support our Navy and Marine Corps families, and we have taken actions to make service more family friendly. We established 24/7 Child Care Development Centers at three Fleet concentration areas and increased access to childcare by a total of four hours, two hours on either side of the previously existing timeframe, at all locations.

And, in July of last year, I tripled paid maternity leave from 6 to 18 weeks, a period subsequently reduced to 12 weeks by the Secretary of Defense. Meaningful maternity leave when it matters most is one of the best ways that we can support the women who serve our country. This flexibility is an investment in our people and our Services, and a safeguard against losing skilled service members. In our line communities, for example, we were losing about twice as many female service members as male, most leaving between 7–12 years of service. We believe extending maternity leave will save money and increase readiness in the Department of the Navy by keeping people in.

Under a Congressional authorization, we piloted the Career Intermission Program (CIP) beginning in 2009. CIP allows a Sailor or Marine to take up to 3 years off, with a 2-year payback for each year taken. When they return they compete against people who have been on active duty the same amount of time, as opposed to those from their previously assigned year-group. So career flexibility does not come at the cost of advancement potential. Our early participants have successfully rejoined the Fleet and, again due to Congressional action, we are expanding this program to help retain talented Sailors and Marines.

While we have taken steps to provide additional services and career flexibility so Sailors and Marines can address their needs personal needs, we have also aggressively enhanced professional development opportunities to strengthen our all-volunteer force. In a world increasingly dependent on inter-service, inter-agency, and international cooperation, that development takes place over the entire span of one's career. To broaden background diversity in our officer corps, we re-opened NROTC units at Harvard, Yale, Columbia and Princeton after a 40-year hiatus.

We also established the Fleet Scholars Education Program, adding 30 new graduate school positions allocated by warfighting commanders to eligible officers. Our first participants are now studying at Harvard, Dartmouth, and Yale.

Outside the classroom, we recognize the value that private sector ingenuity adds to American innovation, so we have also sent officers to work at places like FedEx

and Amazon as part of SECNAV Industry Tours. Those who participate in these programs are our very best, and, in return for their experience, we expect them to bring their knowledge back to the Fleet and to continue to serve under the requirement that for every month spent away, a Sailor or Marine owes 3 months back.

We want people to take advantage of these and other opportunities, and we want them to commit to a career beyond any prescribed service obligation. That means creating an advancement system based primarily on merit, not tenure. In the Navy, we removed arbitrary “zone stamps” from officer promotion boards this year which can unnecessarily create bias. Additionally, for enlisted, we increased the number of advancement opportunities available to Commanding Officers to spot promote their best and brightest Sailors via the Meritorious Advancement Program. Next year, we expect those numbers to grow even further.

In the Marine Corps we are revamping our manpower models to develop the force and address gaps in our Non-commissioned Officer ranks. Sixty percent of Marines are on their first tour and 40 percent are E-3 and below. So we’ve implemented the Squad Leader Development Program to mature and further professionalize the force. This Program screens small unit infantry Marines, selects candidates based on performance and provides them with opportunities for education, qualification and assignment.

After returning predictability to the Navy and Marine Corps and creating an environment that supports families and promotes professional development, I took actions to make a career in the Department attractive and viable to the broadest spectrum of American talent. We now actively cultivate a force representative of the nation it defends. Doing so maximizes our combat effectiveness, because a diverse force is a stronger force.

This year, twenty-seven percent of the freshman class at the Naval Academy Class is comprised of women, more than a one-third increase from the summer of 2009 when I first took office. And for the first time in American history, all billets in the Navy and Marine Corps will be open to every member of this year’s graduating class, and to all others, officers and enlisted, throughout the Fleet.

I started integrating women into previously closed jobs shortly after taking office by opening up submarines and the coastal riverines to women. Later, in 2013, Secretary Panetta and Chairman Dempsey decided that the default position would be to open all military positions to women or seek an exemption to the policy. When weighing this decision, I took a methodical and comprehensive approach. Ultimately, I decided that denying any individual who meets an established standard the opportunity to serve because of their gender not only goes against everything we value as Americans, but it will most certainly diminish our combat effectiveness. We have already proven that is the case with respect to things like the color of someone’s skin or who they love.

While we celebrate diversity in all of our people, we are uniform in purpose as part of an organization that prioritizes service over self. Rather than highlighting differences in our ranks, we have incorporated everyone as full-participants by moving, with some few exceptions, to common uniforms in both the Navy and the Marine Corps so that our forces have a common appearance. Now and in the future, we will present ourselves not as male and female Sailors and Marines, but as United States Sailors and Marines.

In the Reserves, during fiscal year 2015 we mobilized 2,700 individual Reserve Sailors and Marines to support operations worldwide. This allows us to focus our active component on filling critical sea billets to help ensure Fleet wholeness and readiness. This year, we were reminded of the sacrifices our reserves make with the attack at Navy Operational Support Center (NOSC) Chattanooga that took the lives of five of our Sailors and Marines. At home, we have taken steps to provide force protection against these kinds of terrorist acts at off-installation NOSCs, and as of December 2015, 70 of 71 off-installation NOSCs now have armed Selected Reservists. More than 150 NOSC staff personnel have graduated the Navy’s Security Reaction Force Basic (SRF-B) course in support of the Navy Reserve Force Protection mission. For Marine Corps reserve centers, 146 of 161 locations have armed duty personnel, and the remaining 15 sites are in the process of training personnel to be armed. Abroad, our Reserve Sailors and Marines are deployed globally, and we will continue to maintain a Reserve that is ready, relevant, and responsive to the nation’s needs.

The Department’s civilian workforce supports our uniformed force and is critical to the success of our missions. Our civilian employees have endured multi-year pay freezes, a hiring freeze, furloughs and continued limits on performance awards that impacted morale. Results of a Federal Employee Viewpoint Survey indicated that, while our civilians appreciated the role they play in our mission, they felt recognition and training were lacking. Where possible, through such efforts as Operation

Hiring Solutions, the Department has mitigated the impacts to Fleet readiness and operations and to increase civilian employee job satisfaction. Our efforts have produced tangible results, demonstrated by increased civilian retention rates over the last two consecutive years.

This patriotic workforce is the foundation of how the Department of the Navy operates. In order to ensure we have the most capable people, in the right positions, we run a number of leadership development programs. Annually we select participants for senior leader, executive leader, and developing leader programs to provide education and training that will help our people tackle the issues we face now and in the future.

PLATFORMS—GROWING OUR FLEET DESPITE SHRINKING BUDGETS

To provide the presence the American people and our Nation's leaders expect and have come to rely on, our Sailors and Marines need the right number and composition of ships, aircraft, weapons, vehicles, and equipment to execute the missions mandated by our National Security Strategy. That means we must have a properly sized Fleet. Quantity has a quality all its own.

When I first took office, I committed to growing the Fleet to meet our validated requirement and strengthen the acquisition process by employing stricter management and increased competition. In the 7 fiscal years from 9/11/2001 to 2009, our Fleet declined from 316 to 278 ships, and during that period, the Navy contracted for only 41 ships, not enough to keep our Fleet from declining nor keep our shipyards open and healthy. In the 7 fiscal years following 2009, we will have contracted for 84 ships. And we will have done so while increasing aircraft purchases by 35 percent, despite decreasing defense budgets.

SHIPBUILDING

Navy shipbuilding is an essential part of our country's larger shipbuilding and repair industry, which provides more than 400,000 jobs and contributes more than \$37 billion to America's gross domestic product. Shipbuilding enhances and strengthens economic security as well as national security. The work we have done, and must continue to do, will reinforce the importance of maintaining a partnership with the industrial base, as well as keep our shipbuilding industry strong and ready to support the national security needs of our Navy and our country.

Across our shipbuilding portfolio, we have employed direct, impactful actions including increased competition within and across product lines, using block buys and multi-year procurements when products are mature; ensuring designs are stable before entering into production; pursuing cross-program common-equipment buys; and achieving affordability through hard-but-fair bargaining. This would not have been possible without Congressional approval on items like multi-year procurements.

Stability and predictability are critical to the health and sustainment of the industrial base that builds our Fleet. Changes in ship procurement plans are significant because of the long lead time, specialized skills, and extent of integration needed to build military ships. The skills required to build ships are perishable, and, in the past, we have lost talent in this critical industry when plans have changed. Each ship is a significant fraction of not only the Navy's shipbuilding budget but also industry's workload and regional employment. Consequently, the timing of ship procurements is a critical matter to the health of American shipbuilding industries, and has a two-to-three times economic multiplier at the local, regional and national levels.

The Navy will continue to consider and, when appropriate, use innovative acquisition strategies that assure ship construction workload and sustain the vendor base while imposing cost competition. And we will continue to invest in design for affordability, modularity and open systems architectures while incentivizing optimal build plans and shipyard facility improvements and supporting shipbuilding capability preservation agreements. These initiatives support affordability, minimize life-cycle costs, improve and ensure quality products, facilitate effective and efficient processes, and promote competition—which all support Department priorities.

Our efforts to maintain and affordably procure our Fleet's ships and submarines have continued through this past year. The Department has established a steady state Ford Class procurement plan designed to deliver each new ship in close alignment with the Nimitz Class ship it replaces. CVN 78 cost performance has remained stable since 2011 and this lead ship will deliver under the Congressional cost cap. The fiscal year 2016 National Defense Authorization Act (NDAA) reduced this cost cap for follow-on ships in the CVN 78 class by \$100 million. Stability in requirements, design, schedule, and budget, is essential to controlling and improving CVN 79 cost, and therefore is of highest priority for the program. In transitioning from

first-of-class to follow-on ships, the Navy has imposed strict configuration and cost controls to ensure CVN 79 is delivered below the cost cap. CVN 80 planning and construction will continue to use class lessons learned to achieve cost and risk reduction. The CVN 80 strategy seeks to improve on CVN 79 efforts to schedule as much work as possible in the earliest phases of construction, where work is both predictable and more cost efficient.

In our attack submarine program, we awarded the largest contract in Navy history, \$18 billion, to build 10 Virginia-class submarines. Because Congress authorized a multi-year contract for these 10 boats, giving our shipyards stability and allowing them to order materials in economic quantities, we were able to save the taxpayer more than \$2 billion and effectively procured 10 boats for the price of nine.

We are continuing procurement of two Virginia Class submarines per year under the Block IV 10-ship contract which runs through fiscal year 2018. We will also continue to develop the Virginia Payload Module (VPM), which is planned for introduction in fiscal year 2019, as part of the next Virginia Class multiyear procurement (Block V).

The Arleigh Burke Class (DDG 51) program is one of the Navy's most successful shipbuilding programs—62 of these ships are currently operating in the Fleet. We are in the fourth year of a multi-year procurement, and thanks to the work at shipyards in Mississippi and Maine and our acquisition team, the DDG 51 competitive multiyear contract is saving more than \$2 billion. The two Arleigh Burke Class destroyers requested in fiscal year 2017, which will complete the current multiyear contracts, will provide significant upgrades to integrated air and missile defense and additional ballistic missile defense capability (Flight III) by incorporation of the Air and Missile Defense Radar.

With our Littoral Combat Ships (LCS), the average ship construction cost, under the current block buy contracts, has decreased by nearly 50 percent in comparison to LCS hulls contracted prior to 2009. We now have six ships of this class delivered, 18 currently on contract, and two additional ships to award this fiscal year. We are currently upgrading the design, which will significantly increase LCS lethality and survivability, to be introduced no later than fiscal year 2019, and potentially as early as fiscal year 2018. Because of these ships' enhanced counter-surface and counter-submarine capabilities, contributing to their role in Battle Group operations, we are re-designating these future ships as Frigates.

Our budget request also includes incremental funding for the next big deck amphibious assault ship, LHA 8. We are in the midst of an innovative solicitation which solicits bids for LHA 8, the replacement Fleet oiler T-AO(X), and early design efforts for the replacement for the LSD 41/49 class LX(R). These bids which uniquely support both stability and competition within the amphibious and auxiliary sectors of the industrial base, will be awarded this fiscal year.

Ohio Replacement (OR) remains our top priority program. Prior modernization programs, such as our first strategic deterrence procurement, "41 for Freedom," were accompanied by topline increases. The Navy greatly appreciates Congressional support in overcoming the challenges posed by funding the OR Program.

The fiscal realities facing the Navy make it imperative that we modernize and extend the service lives of our in-service ships to meet the Navy's Force Structure Assessment requirements. An important element of mitigation is the extension and modernization of our Arleigh Burke class destroyers and Ticonderoga class cruisers (CGs).

The fiscal year 2017 President's Budget includes funding for the modernization of two destroyers to sustain combat effectiveness, ensure mission relevancy and to achieve the full expected service lives of the AEGIS Fleet. The destroyer modernization program includes Hull, Mechanical, and Electrical (HM&E) upgrades as well as combat systems improvements with upgraded AEGIS weapons systems. Advanced Capability Build (ACB) 12 to include open architecture computing environment, BMD capability, installation of the Evolved Sea Sparrow Missile (ESSM), integration of the SM-6 missile, and improved air dominance with processing upgrades and Naval Integrated Fire Control-Counter Air capability. This renovation reduces total ownership costs and expands mission capability for current and future combat capabilities.

Cruiser modernization ensures long-term capability and capacity for purpose-built Air Defense Commander (ADC) platforms. Of our 22 total cruisers, 11 recently modernized CGs will perform the ADC function for deploying Carrier Strike Groups while the Navy modernizes our other 11 ships. As these are completed, they will replace the first 11 on a one-for-one basis as each older ship reaches the end of its service life (35 years) starting in fiscal year 2020. Our modernization schedule commenced in fiscal year 2015 on a 2-4-6 schedule in accordance with Congressional direction: two cruisers per year for a long-term phase modernization, for a period no

longer than 4 years, and no greater than six ships in modernization at any given time.

The Budget supports CG Modernization and proposes a plan that will save \$3 billion over the FYDP by inducting the remaining cruisers into modernization following their current planned operational deployments. This differs from the current plan in that we would put a total of four CGs in phased modernization in fiscal year 2017. We understand that this request does not align with previous Congressional direction, but feel it is the best way to honor today's operational demands as we prepare for future strategic requirements.

AVIATION

With the support of Congress, we continue to strengthen our Naval Aviation force. We are in the process of re-capitalizing every major aviation platform in the Navy and Marine Corps inventory. The MV-22B has replaced the CH-46E/CH-53D, and we are in the process of replacing all other Navy and Marine Corps aircraft. We also continue to focus on unmanned aviation. We are investing in the MQ-4C Triton, MQ-8C Fire Scout, RQ-21 Blackjack, and RQ-7B Shadow plus initiating efforts to provide carrier-based unmanned aviation capability with the RAQ-25 Stingray.

Our investments focus on developing and integrating capabilities by using a family of systems approach, when viable, to maintain superiority against rapidly evolving threats. Using current and future platforms, weapons, networks and technologies, we will ensure Naval Aviation relevance and dominance in the future. For legacy weapons systems, we are addressing aviation readiness by investing in operations and support accounts to mitigate training and platform readiness issues. Our procurement of new aircraft and synchronization of readiness enablers will improve our ability to project power over and from the sea.

The Strike Fighter inventory should be viewed in two separate and distinct phases. The near term challenge is managing a Department of Navy Tactical Aviation (TACAIR) force that has been reduced in capacity through a combination of flying many more flight hours than planned, pressurized sustainment and enabler accounts, legacy F/A-18A-D Hornet depot throughput falling short of the required output due to sequestration and other factors, and the impact of delays to completing development of the Joint Strike Fighter program. As a result of aggressive efforts instituted in 2014 across the Department to improve depot throughput and return more aircraft back to service, fiscal year 2015 depot throughput improved by 44 percent as compared to fiscal year 2014, returning to pre-sequestration levels of throughput. TACAIR aviation depots are expected to continue to improve productivity through 2017, and fully recover the backlog of F/A-18A-D aircraft in 2019 at which time the focus will shift toward F/A-18E/F service life extension. In the far term, the Strike Fighter inventory is predominantly affected by the rate at which we can procure new TACAIR aircraft. The fiscal year 2017 budget request increases both the F/A-18E/F and F-35 strike fighter aircraft in order to mitigate near-term and far-term risks to our strike fighter inventory in the most affordable, effective manner possible.

Critical to power projection from the sea, the E-2D Advanced Hawkeye, our new and upgraded airborne early-warning aircraft, completed Fleet integration and deployed with USS *Roosevelt* (CVN 71) Carrier Strike Group. We are continuing Full Rate Production under a multi-year contract and Fleet transition is underway. We expect to integrate the advanced capabilities with Forward Deployed Naval Forces (FDNF) by 2017. We continue to recapitalize the P-3C Orion with P-8As, and are on-schedule to complete the purchase within the FYDP to bring a total of 109 P-8As to the Fleet. And our P-8s will continue to undergo incremental improvements.

Finally, we expect to complete EA-18G Growler Fleet transition in fiscal year 2016. As the DOD's premier tactical Airborne Electronic Attack/Electronic Warfare aircraft, the Growler is crucial to power projection ashore in a saturated electronic warfare environment. With Congress' addition of seven EA-18Gs in fiscal year 2016, we will have 160 of these aircraft in 15 squadrons to support the Navy requirement. With the retirement of the Marine Corps' last EA-6B Prowlers in 2019, these highly capable aircraft take over the nation's airborne electronic attack mission.

Our rotary wing and assault support communities are in the midst of large-scale recapitalization. In the vertical lift community, multi-year production contracts for the MV-22 continue. We have taken advantage of joint service commonality in the V-22 to fill a crucial enabler in the Carrier On-board Delivery mission. In the Marine Corps, procurement of the AH-1Z continues to deliver combat proven capabilities. Finally, with its first flight last fall, the CH-53K King Stallion is poised to bring significant improvements in our heavy lift capabilities.

UNMANNED SYSTEMS

Currently, our warfare communities—air, sea, undersea and ground—are all doing superb work in unmanned systems which are critical to our ability to be present. They increase the combat effectiveness of our deployed force while reducing the risk to our Sailors and Marines, allowing us to conduct missions that last longer, go farther, and take us beyond the physical limits of pilots and crews. Launching and recovering unmanned aircraft from the rolling decks of aircraft carriers, launching unmanned rotary-wing patrols from our small surface combatants, and deploying unmanned underwater vehicles globally are vital elements both now and in the future for maritime presence and naval warfare. We have enhanced our focus on unmanned systems and prioritized efforts under purposeful leadership at the level of the Deputy Assistant Secretary of the Navy for Unmanned Systems and the new office of Unmanned Warfare Systems of the staff of the Chief of Naval Operations, also known as N99.

We are moving ahead with a number of unmanned programs in the effort to rapidly integrate new capability into the fleet. The MQ-8B Fire Scout began regular deployments in 2014. When USS *Fort Worth* deployed to Singapore recently, the ship took a mixed aviation detachment of a manned MH-60R helicopter and MQ-8B Unmanned Aerial Vehicle's (UAV). This kind of hybrid employment, pairing our manned and unmanned systems to take advantage of the strengths of each, will be a hallmark of our future approach to unmanned systems. The first operational variant of the larger and more capable next generation Fire Scout, the MQ-8C, recently completed developmental testing and a successful operational assessment. This aircraft is scheduled to be deployable by the end of 2017 and will bring double the endurance and double the payload of the older versions.

The MQ-4C Triton is a key component of the Navy Maritime Patrol Reconnaissance Force. Its persistent sensor dwell capability, combined with networked sensors, will enable it to effectively meet ISR requirements in support of the Navy Maritime Strategy. The MQ-4C Triton will establish five globally-distributed, persistent maritime ISR orbits beginning in fiscal year 2018 as part of the Navy's Maritime ISR transition plan. Currently, MQ-4C Triton test vehicles have completed 53 total flights and will continue sensor flight testing this spring.

In 2015, the Office of the Secretary of Defense conducted a comprehensive Strategic Portfolio Review (SPR) of DOD ISR programs. The results of the SPR, and a subsequent ISR portfolio review, as reflected in our PB17 budget is the restructure of the Unmanned Carrier-Launched Airborne Surveillance and Strike (UCLASS) program. The MQ-25 Stingray will deliver the Navy's first carrier-based unmanned aircraft, a high-endurance platform that will replace today's F/A-18E/F aircraft in its role as the aerial tanker for the Navy's Carrier Air Wing (CVW), thus preserving the strike fighter's flight hours for its primary missions. Stingray will also have the range and payload capacity associated with high-endurance unmanned aircraft to provide critically-needed, around the clock, sea-based ISR support to the Carrier Strike Group and the Joint Forces Commander. The Navy envisions that the open standards to be employed in the Stingray design will enable future capabilities to be introduced to the aircraft after it has been fully integrated into the CVW.

Autonomous Undersea Vehicles (AUV) are a key component of the Navy's effort to expand undersea superiority. AUVs are conducting sea sensing and mine countermeasure tasks today with human-in-the-loop supervision. While nominal force structure requirements for fiscal year 2025 have not been determined, the Navy is committed to growing both the size and composition of the AUV force. In the near-term, AUVs present an opportunity to increase undersea superiority and offset the efforts of our adversaries.

The Large Displacement Unmanned Underwater Vehicle (LDUUV) is an unmanned undersea vehicle to offload "dull, dirty, dangerous" missions from manned platforms beginning in 2022. LDUUV will be launched from a variety of platforms, including both surface ships and submarines. The craft's missions will include ISR, acoustic surveillance, ASW, mine counter-measures, and offensive operations.

The Surface Mine Countermeasure Unmanned Undersea Vehicle (SMCM UUV) commonly referred to as Knifefish employs low-frequency broadband synthetic aperture sonar. Knifefish is planned for incorporation into increment four of the LCS mine countermeasures mission package.

WEAPONS

The fiscal year 2017 budget invests in a balanced portfolio of ship self-defense and strike warfare weapons programs. The Navy has made significant strides in extending the Fleet's layered defense battle-space while also improving the capabilities of

the individual ship defense layers in order to pace the increasing anti-ship missile threat.

Standard Missile-6 (SM-6) provides theater and high value target area defense for the Fleet, and with Integrated Fire Control, has more than doubled its range in the counter-air mission. And as the Secretary of Defense announced a few weeks ago, we are modifying the missile to provide vital anti-surface capability. The Evolved Sea Sparrow Missile (ESSM) program awarded the Block 2 Engineering Manufacturing and Development contract in 2015, which will borrow from the SM-6 active guidance section architecture to improve ship self-defense performance against stressing threats and environments. Rolling Airframe Missile (RAM) Block 2 achieved IOC in May 2015, providing improved terminal ship defense through higher maneuverability and improved threat detection.

For strike warfare, the Department's Cruise Missile Strategy has been fully implemented with the PB17 budget submission. This strategy sustains Tomahawk Blocks III and IV through their service lives; integrates modernization and obsolescence upgrades to the Block IV Tomahawk during a mid-life recertification program which adds 15-years of additional missile service life; fields the Long Range Anti-Ship Missile (LRASM) as the Offensive Anti-Surface Warfare (OASuW) Increment 1 solution to meet near to mid-term threats; and develops follow-on Next Generation Strike Capability (NGSC) weapons to address future threats and to replace or update legacy weapons. This plan brings next generation technologies into the Navy's standoff conventional strike capabilities. NGSC will address both the OASuW Increment 2 capabilities to counter long-term anti-surface warfare threats, and the Next Generation Land Attack Weapon (NGLAW) to initially complement, and then replace, current land attack cruise missile weapon systems.

GROUND FORCES

The focus of our Marine Corps ground modernization efforts continues to be our ground combat and tactical vehicle (GCTV) portfolio, along with the Command and Control (C2) systems needed to optimize this effectiveness of the entire MAGTF once ashore.

The key priority within the GCTV portfolio is the replacement of the legacy Amphibious Assault Vehicle (AAV) with modern armored personnel carriers through a combination of complementary systems. The Amphibious Combat Vehicle (ACV) program is the Marine Corps' highest ground modernization priority and will use an evolutionary, incremental approach to replace the aging AAVs with a vehicle that is capable of moving Marines ashore, initially with surface connectors and ultimately as a self-deploying vehicle. ACV consists of two increments, ACV 1.1 and ACV 1.2. Increment 1.1 will field a personnel carrier with technologies that are currently mature. Increment 1.2 will improve upon the threshold mobility characteristics of ACV 1.1 and deliver C2 and recovery and maintenance mission role variants.

In parallel with these modernization efforts, a science and technology portfolio is being developed to explore a range of high water speed technology approaches to provide for an affordable, phased modernization of legacy capability to enable extended range littoral maneuver. These efforts will develop the knowledge necessary to reach an informed decision point in the mid-2020s on the feasibility, affordability, and options for developing a high water speed capability for maneuver from ship-to-shore.

We are also investing in the replacement of a portion of the high mobility, multi-purpose, wheeled vehicle (HMMWV) fleet which are typically exposed to enemy fires when in combat. In partnership with the Army, the Marine Corps has sequenced the Joint Light Tactical Vehicle (JLTV) program to ensure affordability of the entire GCTV portfolio while replacing about one third (5,500 vehicles) of the legacy HMMWV fleet with modern tactical trucks prior to the fielding of ACV 1.1.

Critical to the success ashore of the MAGTF is our ability to coordinate and synchronize our distributed C2 sensors and systems. Our modernization priorities in this area are the Ground/Air task Oriented radar (G/ATOR) and the Common Aviation Command and Control System (CAC2S) Increment I. These systems will provide modern, interoperable technologies to support real-time surveillance, detection and targeting and the common C2 suite to enable the effective employment of that and other sensors and C2 suites across the MAGTF.

INNOVATION

As we continue to use better procurement strategies for ships, aircraft, and other weapons systems, we are also using better ideas to enhance the utility of current assets and to accelerate future capabilities to the Fleet. The Navy and Marine Corps have always been at the cutting edge of technology. To tap into the ingenuity inher-

ent in our force, I created Task Force Innovation: a group from across the department comprised of thinkers, experts, and warfighters with diverse backgrounds and from every level. The Task Force is anchored in the Department as the Naval Innovation Advisory Council, with a location on each coast. These councils rely on feedback from databases such as “the Hatch,” a crowdsourcing platform that cultivates solutions from those who know best, our deckplate Sailors and Marines in the field.

To facilitate ways for new technologies to reach the Fleet unhindered by the overly-bureaucratic acquisitions process, we are implementing Rapid Prototyping strategies. This initiative provides a single, streamlined approach to prototyping emerging technologies and engineering innovations to rapidly response to Fleet needs and priorities.

We are also continuing the research and development of promising technologies such as 3D printing, directed energy weapons, robotics, adaptive force packaging at sea and unmanned vehicles to counter projected threats and using the entire force to prove these concepts. We are continuing the development and testing of the Electromagnetic Railgun and Hyper Velocity Projectile (HVP) as part of a broader Gun/Projectile Based Defense strategy. We plan to demonstrate this capability this fiscal year in preparation for follow-on at sea testing. In 2014, we deployed the first operational Laser Weapons System (LaWS) onboard PONCE in the Arabian Gulf. Lessons-learned from the 30 kilowatt LaWS installation are directly feeding the Navy’s investment in Solid State Laser weapons. The Navy is developing a 100-to-150 kilowatt laser prototype for at-sea testing by 2018.

To secure our superiority in cyberspace, we are building a new cyber warfare center of excellence at the Naval Academy, and we have more than doubled our cyber workforce since 2009. In addition to growing the cyber domain, we are also re-designating appropriate positions to count as part of the cyber workforce. The Department is diligently working on ensuring cyber workforce billets are properly coded in our manpower databases for tracking and community management efforts.

There has been a concerted effort to protect cyber positions from drawdowns and maximize direct and expedited civilian hiring authorities to improve cyber readiness and response. Additionally, the DON is supporting the DOD Cyber Strategy in the stand-up of the Cyber Mission Force teams; 40 teams by Navy, 3 teams by Marine Corps and 1,044 cyber security positions within Fleet Cyber and Marine Forces Cyber commands. These positions require unique cyber security skills and qualifications to perform a multitude of cyber security functions that will enhance the Department of the Navy cyber security and defense capability.

POWER—ALTERNATIVE ENERGY FUELING THE FIGHT

Energy is a necessary commodity for modern life, and it plays a critical geopolitical role around the world. Access to fuel is often used as a weapon, as we have seen with Russian action against Ukraine, and threats against the rest of Europe. Although the price of oil has recently declined, the overall trend strongly suggests that over time, the prices could return to the higher levels.

Aside from the obvious economic instability that comes with the volatile price of oil, being overly reliant on outside energy sources poses a severe security risk, and we cannot afford to limit our Sailors and Marines with that vulnerability and lack of stability. When I became Secretary, our use of power was a vulnerability; we were losing too many Marines guarding fuel convoys in Afghanistan and volatile oil prices were stressing many areas, particularly training.

In 2009, the Department of the Navy set out to change the way we procure, as well as use, energy, with the goal of having at least half of naval energy—both afloat and ashore—come from non-fossil fueled sources by 2020. By using alternative energy sources, we improve our warfighting capabilities; reduce our reliance on foreign sources of fossil fuels; and reduce the ability of potential adversaries the opportunity to use energy as a weapon against us and our partners.

Pioneering new advancements in how we power our platforms and systems is nothing new for the Navy and Marine Corps. For two centuries we have been a driver of innovation, switching from sail to steam, steam to coal, coal to oil, and harnessed the power of nuclear propulsion. Operationally, energy matters now more than ever; our weapons platforms today use far more energy than their predecessors. The new technology we develop and acquire will ensure we maintain a strategic advantage for decades to come. Fueling the ships, aircraft, and vehicles of our Navy and Marine Corps is a vital operational concern and enables the global presence necessary to keep the Nation secure.

After successfully testing the Great Green Fleet at the Rim of the Pacific Exercise in 2012, just last month USS *John C. Stennis* Strike Group departed on a routine operational deployment, steaming on an blend of conventional and alternative fuels,

as well as conducting underway replenishments at sea with these fuels. The three stipulations we have for our alternative fuels are they must be drop-in, they cannot take away from food production, and they must be cost competitive.

The alternative fuels powering the Great Green Fleet 2016 were procured from a company that makes its fuel from waste beef fats. These alternative fuels cost the Department of Defense \$2.05 per gallon. It is critical we continue to use cost-competitive blended alternative fuels in our ships and aircraft to ensure operational flexibility. For example, of the three crude oil refineries in Singapore one is 50 percent owned by China, while an alternative fuel plant is owned by a Finnish company.

This past year, we surpassed the goal the President set in his 2012 State of the Union Address, when he directed the Department of the Navy to have a gigawatt (one-half of our total ashore energy needs in the U.S.) of renewable energy by 2020. The Renewable Energy Program Office (REPO) coordinates and manages the goal of producing or procuring cost-effective renewable energy for our bases, and the power we are buying through our REPO projects will be cheaper than our current rates over the life of the contract. Today, we have in procurement more than 1.1 gigawatts of renewable energy for our shore installations—5 years ahead of schedule.

In August, the Department of the Navy awarded the largest renewable contract in Federal Government history with the Western Area Power Administration. This solar project will meet a third of the energy needs for 14 Navy and Marine Corps installations, bringing them 210 MW of renewable power for 25 years, and saving the Navy \$90 million.

In the Marine Corps, the Expeditionary Energy Office (E2O) continues to focus on increasing their operational reach and empowering Marines in the field. E2O is doing amazing work. The Marine Corps hosts two expos—one on each coast—every year where they ask industry leaders to bring their latest technology, and, if the Marines see an operational use for it, they can buy it. They have invested in items such as small, flexible and portable solar panels that can save a company of Marines in the field 700 pounds in batteries. The Marines are also working on kinetic systems for backpacks and knee braces that harvest energy from a Marine's own movement. These technologies are making our Marines lighter, faster and more self-sustainable on the battlefield.

Across the Fleet and Marine Corps, we have taken numerous energy conservation measures that are aimed at energy efficiency, and have had dramatic impact on our energy use.

For example, two of our newest amphibious ships, USS *Makin Island* and USS *America* use a hybrid propulsion system that has an electric power plant for slower speeds and traditional engines for speeds over 12 knots. When MAKIN ISLAND returned from her maiden deployment, she came back with almost half her fuel budget, despite the fact she stayed at sea an additional 44 days.

We had a Chief suggest we change all the lightbulbs on our ships to LEDs. Now every time a ship comes in for overhaul, we are changing out the bulbs. This simple change is saving us more than 20 thousand gallons of fuel per year per destroyer. They also last far longer, give off better light, and reduce our maintenance costs.

Our Sailors are using a Shipboard Energy Dashboard that provides them with real-time situational awareness of the energy demand on the various systems that are running, allowing Sailors to see the impact the way they operate a ship can have on fuel consumption. Sailors across the Fleet are taking it upon themselves to make their own platforms as efficient as possible, and the results are tangible.

The Department of the Navy's efforts in energy efficiency have strongly contributed to a decline in the Navy's demand for oil nearly 15 percent from fiscal 2008 to fiscal 2014, and the Marines slashed their oil consumption 60 percent over that same period, according to a recent report by the Office of the Undersecretary of Defense for Acquisitions, Technology and Logistics. While drawdowns in Iraq and Afghanistan have certainly contributed to these numbers, improvements in our use of energy have had an impact on our overall consumption.

Diversifying our energy supply for our ships, our aircraft, and our bases helps guarantee our presence and ability to respond to any crisis because we can remain on station longer or extend our range, reducing the delays and vulnerabilities associated with refueling.

We are a better Navy and Marine Corps for innovation, and this is our legacy. Employment of new energy sources has always been met with resistance, but in every case, adoption of new technologies enhanced the strategic position of our Nation through improvements in the tactical and operational capabilities of our force. Our focus on power and energy is helping to ensure the United States Navy and Marine Corps remain the most powerful expeditionary fighting force in the world.

and enhance their ability to protect and advance American interests around the globe.

PARTNERSHIPS—BUILDING PARTNERSHIPS TO ADVANCE OUR SHARED VALUES

In this maritime century, cooperation with our international allies and partners is critical to defending the global system, as it broadens responsibility for security and stability, while diffusing tensions, reducing misunderstandings, and limiting conflict. It is through a cooperative effort that we will assure our navies can provide the necessary presence to maintain freedom of navigation and maritime security around the world.

I have traveled almost 1.2 million miles and visited 144 countries and territories and all 50 States to meet with Sailors and Marines and to build partnerships both at home and abroad. International meetings establish the trust that helps us deter conflict and respond in a coordinated and effective manner to manmade or natural crises. We strengthen these partnerships in times of calm because, in times of crisis, you can surge people, you can surge equipment, but you cannot surge trust.

We continue to focus our efforts on the rebalance of assets to the Pacific as an important part of our partnership efforts. Having the right platforms in the right places is a vital piece of ensuring our friends and allies understand our commitment to this complex and geopolitically critical region. We're moving more ships to the central and western Pacific to ensure our most advanced platforms and capabilities are in the region, including forward basing an additional attack submarine in Guam and forward stationing four Littoral Combat Ships in Singapore. Also, we're providing two additional multi-mission Ballistic Missile Defense destroyers to Forward Deployed Naval Forces (FDNF) in Japan and the P-8A maritime patrol aircraft are making their first rotational deployments in the region. Additionally, USS *Ronald Reagan* replaced USS *George Washington* as our carrier homeported in Japan.

We are hubbing Expeditionary Transfer Docks (T-ESD) 1 and 2 in the vicinity of Korea/Northeast Asia, and hubbing Expeditionary Fast Transports (T-EPF) to Japan and Singapore. In the longer term, by 2018 we will deploy an additional Amphibious Ready Group to the Pacific region and we will deploy a growing number of Expeditionary Fast Transports and an additional Expeditionary Sea Base there.

The U.S. Seventh Fleet along with allies and partner nations combined for over 110 exercises throughout 2015 to train, build partner capability and relationships, and exchange information. The largest exercise, Talisman Sabre in the Asia-Pacific region, in July 2015, featured 21 ships, including U.S. Navy aircraft carrier USS *George Washington* and more than 200 aircraft and three submarines. USS *Fort Worth* participated in Cooperation Afloat Readiness and Training (CARAT) exercises with partner navies from Cambodia, Philippines, Malaysia, Indonesia, Brunei, and Bangladesh to conduct maritime security cooperation exercises.

In addition to participating in many of the exercises as part of the Navy-Marine Corps team, the Marine Corps is also building its capacity to work with our Asia-Pacific partners. Marines participated in 46 exercises in the region in 2015. Examples include Cobra Gold, a crisis-response exercise with partners from Thailand, Singapore, Japan, Republic of Korea, Indonesia, and Malaysia, and exercise Talisman Saber, a U.S.-Australia exercise focusing on high-end combat operations and peacekeeping transitions. Additionally, Marine Rotational Force Darwin sustains more than 1,000 Marines on a revolving basis to conduct exercises, security cooperation and training with the Australian Defense Force and other countries in the region. This will increase over the next few years to a full Marine Air Ground Task Force.

As we rebalance our expeditionary forces to the Pacific, we will remain focused on maintaining maritime superiority across all domains and geographies, ensuring we don't neglect obligations in places like Europe.

As a continuation of the North Atlantic Treaty Organization's 65-year mission to keep all nations free without claiming territory or tribute, we moved the fourth ballistic missile defense capable DDG, USS *Carney*, to Rota, Spain, to join USS *Donald Cook*, USS *Ross* and USS *Porter* to enhance our regional ballistic missile defense capability, provide maritime security, conduct bi-lateral and multilateral training exercises, and participate in NATO operations. We've also established an AEGIS ashore site in Romania to provide additional shore-based ballistic missile defense capability in Europe, with a second installation in Poland scheduled to come online in the 2018 timeframe.

The Navy and Marine Corps continue to demonstrate support for our allies and friends and American interests in the European region. Alongside the Marine Corps' Black Sea Rotational Force's operations in Eastern Europe, a series of Navy ships

have deployed into the Black Sea to ensure freedom of navigation and work with our partners there.

This past fall USNS *Spearhead* completed the Southern Partnership Station 2015 in South America. As *Spearhead* sailed through the Americas, the Sailors and Marines aboard participated in subject matter expert exchanges and building partner capacity throughout the region. In October, USS *George Washington* and USS *Chafee* participated in the annual multinational exercise UNITAS, which was hosted by the Chilean Navy and included personnel from Brazil, Ecuador, El Salvador, Guatemala, Honduras, New Zealand and Panama to conduct intense training focused on coalition building, multinational security cooperation and promoting tactical interoperability with the participating partner nations. USS *George Washington* also deployed as part of Southern Seas 2015, which seeks to enhance interoperability, increase regional stability, and build and maintain relationships with countries throughout the region while circumnavigating South America. A unique symbol of our desire to build a strong relationship is evident in deployments by our world class hospital ship USNS *Comfort*. As part of CONTINUING PROMISE 2015, medical and support staff from across the U.S. military and the region worked alongside nearly 400 volunteers to treat 122,268 patients and conduct 1,255 surgeries. In an historic event during the USNS *Comfort* port call in Haiti, U.S. and Cuban medics worked side-by-side to treat Haiti's poor and exchange best medical practices. CONTINUING PROMISE is without doubt one of the U.S. military's most impactful missions, but future USNS *Comfort* deployments will be affected by today's budget realities. Our security is inextricably linked with that of our neighbors, and we continue to work with innovative and small-footprint approaches to enhance our interoperability with partners in the Americas.

For some people around the world, Sailors and Marines who sail aboard our ships are the only Americans they will ever meet, and it is they who represent our country around the world.

In December, I hosted the leaders of our partner navies from West Africa and from Europe and the Americas for the Gulf of Guinea Maritime Security Dialogue. Naval leaders from 16 nations bordering the Gulf of Guinea as well as 37 heads of navy, delegates and representatives from Europe and the Americas came to discuss collaborative solutions to piracy, extremism, trafficking and insecurity in the region. We discussed a unified code of conduct for maritime law enforcement and more direct cooperation in the region. As the economies in the Gulf of Guinea continue to grow, so does the increasing relevance of guarding against maritime terrorism, illicit trafficking of drugs, people and weapons, extremism moving from east to west, and other transnational crime. The U.S. Navy and Marine Corps will continue to work with our partners in West Africa and help them improve their capabilities and promote collaboration.

Working alongside other navies enhances interoperability, provides key training opportunities, and develops the operational capabilities of the countries and navies with which we have shared values. As we look toward future operations, multinational cooperation will continue to be vital to suppressing global threats, and building these strong partnerships now seeks to enhance and ensure our operational superiority into the future.

Outside of our international partnerships, the Department of the Navy's collaboration with industry, both in technology development and ship and aircraft building and repair, bolsters economic security as well as national security interests at home and abroad.

Finally, our Navy and Marine Corps require the support of the American people to maintain presence. I continue to honor our most important partnership- the one with the American people- by naming ships after people, cities, and States, as a reflection of America's values and naval heritage, and to foster that powerful bond between the people of this country and the men and women of our Navy and Marine Corps.

FISCAL YEAR 2017 BUDGET SUMMARY

The Department of the Navy's proposed budget for fiscal year 2017 is designed to achieve the President's Defense Strategic Guidance (DSG): protect the homeland, build security globally, and project power and win decisively when called upon. In doing so we have looked across the FYDP to maintain our ability to conduct the primary missions listed in the DSG to 2021 and beyond. Overall the fiscal year 2017 President's Budget balances current readiness needed to execute assigned missions while sustaining a highly capable Fleet, all within a continually constrained and unpredictable fiscal climate.

Our approach to this budget has focused on six objectives. First, maintain a credible and modern sea-based strategic deterrent. Second, sustain our forward global presence to ensure our ability to impact world events. Third, preserve the capability to defeat a regional adversary in a larger-scale, multi-phased campaign, while denying the objectives of or imposing unacceptable costs on a second aggressor in another region. Fourth, ensure that the force is ready for these operations through critical afloat and shore readiness and personnel issues. Fifth, continue and affordably enhance our asymmetric capabilities. Finally, sustain our industrial base to ensure our future capabilities, particularly in shipbuilding.

Even as we deal with today's fiscal uncertainty, we cannot let slip away the progress we've made in shipbuilding. It takes a long time, measured in years, to produce a deployable ship. It is the least reversible thing we might do to deal with budget constraints. If we miss a year, if we cancel a ship, it is almost impossible to recover those ships because of the time involved and the inability of the industrial base to sustain a skilled set of people without the work to support them. To do the job America and our leaders expect and demand of us, we have to have those gray hulls on the horizon.

Because of the long lead time needed for shipbuilding, it is not the responsibility of just one administration. This Administration and Congress, in previous budgets, have guaranteed we will reach a Fleet of 300 ships by fiscal year 2019 and 308 by fiscal year 2021. This FYDP establishes a proposed shipbuilding trajectory for our Battle Force and its underpinning industrial base in the years following fiscal year 2021, while maintaining decision space for the next Administration and Congress. As such, the fiscal year 2017 President's Budget requests funding for seven ships: two Virginia class attack submarines, two DDG 51 Arleigh Burke class destroyers, two Littoral Combat Ships (LCS), and the LHA 8 Amphibious Assault Ship. The budget request also includes funding for refueling and complex overhauls (RCOH) for aircraft carriers USS *George Washington* and USS *John C. Stennis*.

The plan for LCS/FF requests funding for two ships in fiscal year 2017, preserving the viability of the industrial base in the near term and creating future decision space for Frigate procurement should operational requirements or national security risk dictate the need.

The fiscal year 2017 President's Budget includes funding for the modernization of destroyers (\$3.2 billion total invested in fiscal year 2017—fiscal year 2021) to sustain combat effectiveness, to ensure mission relevancy, and to achieve the full expected service lives of the AEGIS Fleet. The budget also requests \$521 million across the FYDP, in addition to current Ships Modernization, Operations and Sustainment Fund (SMOSF) funding, to support cruiser modernization. The Navy will continue to work with Congress to develop and evaluate funding options to continue this vital modernization.

Above the sea, our naval aviation enterprise grows. Specifically, we continue our recapitalization efforts of all major platforms and increase procurement of F/A-18E/F and F-35 aircraft, and make key investments in current and future unmanned aviation systems and strike warfare weapons capabilities.

While accelerating new platforms and capabilities to the Fleet is a priority, it is equally important to reduce the maintenance backlog created by sequestration. The fiscal year 2017 budget provides additional investments in shipyard and aviation depots in both civilian personnel and infrastructure to achieve that end. As we execute our readiness strategy, our focus remains on properly maintaining ships and aircraft to reach their expected service lives and supporting a sustainable operational tempo.

The cyber domain and electromagnetic spectrum dominance remain Department priorities. The budget includes an increase of \$370 million over the FYDP (\$107 million in fiscal year 2017) across a spectrum of cyber programs, leading to significant improvements in the Department's cyber posture. Specific elements include funding for engineering of boundary defense for ship and aviation platforms and for afloat cyber situational awareness.

While hardware upgrades and additions are crucial, our investment in people must be equally prioritized. The fiscal year 2017 budget includes a 1.6 percent pay raise for Sailors and Marines and adds billets for base security. Our personnel initiatives receive funding aimed to recruit, train, and retain America's best.

Our priorities combine to achieve one objective—naval presence. And that presence is weighted to meet the national security strategy. The fiscal year 2017 budget sustains a forward deployed presence and continues the rebalance to the Pacific. The number of ships operating in the Asia-Pacific will increase from 52 today to 65 by 2020.

Crafting the Department of the Navy's budget did not come without hard choices. To achieve a balance between current and future capabilities, we were compelled to make several risk-informed decisions. We have proposed deactivating the 10th

Carrier Air Wing. This primarily administrative move improves the alignment of carrier air wing and aircraft carrier deployment schedules and alleviates excessive time between deployments for CVWs attached to CVNs in lengthy maintenance phases, without losing any aircraft.

Finally, throughout my tenure, as part of my Department of the Navy Transformation Plan, I have stressed the importance of accountability. We are moving very quickly to an audit ready environment. Congressional support has been critical in providing the resources we need to bring our systems into compliance.

CONCLUSION

As the longest-serving Secretary since World War I, I have truly been able to get to know the men and women of this Department, and I have led institutional change—from inception to reality.

In order to provide our Nation with presence, to deter our adversaries and assure our allies, and provide our Nation's leaders with options in times of crisis, we have enhanced our capabilities across every area of this department. By focusing on our people, platforms, power and partnerships, we assure we remain the greatest expeditionary fighting force the world has ever known.

Today there is no operational billet in the Navy or Marine Corps that is closed to anyone based on their gender. Men and women wear uniforms common in appearance so they are uniformly United States Sailors and United States Marines. Career paths are flexible and provide unprecedented opportunities for professional growth. We promote based more on merit and not just tenure. We are encouraging retention in the Department by creating an environment that doesn't force our Sailors and Marines to choose between serving their country and serving their families.

We are seeking innovation from within the talent inherent in our Sailors and Marines. We have established an innovation network, with crowdsourcing platforms established to allow new ideas to get from the deckplates to our leaders.

We are growing the fleet. By the end of this fiscal year, we will have contracted for 84 ships, which will give America a 300-ship Navy by 2019 and a 308-ship Navy by 2021. We stood up a new Deputy Assistant Secretary of the Navy and OPNAV staff for Unmanned Systems development, making us leaders in this emerging capability.

The Navy has fundamentally changed the way we procure, use and think about energy. In the past 7 years, the Navy and Marine Corps have significantly lowered fuel consumption. We have sailed the Great Green Fleet on alternative fuel blends and met our goal of having 1 gigawatt of renewable energy powering our shore-based installations 5 years early.

We are rebalancing our Fleet to meet the goal of having 60 percent of our assets in the Pacific region by the end of the decade, and we continue to contribute to security cooperation and international exercises with our friends and allies around the world.

Since the inception of our Nation, America's Navy and Marine Corps have paved the way forward for this country.

As President George Washington once said, "It follows then as certain as that night succeeds the day, that without a decisive naval force we can do nothing definitive, and with it, everything honorable and glorious."

Senator COCHRAN. Thank you very much, Mr. Secretary.

Admiral Richardson, I'm going to call on you next for any statement you have.

Thank you.

STATEMENT OF ADMIRAL JOHN M. RICHARDSON, CHIEF, NAVAL OPERATIONS

Admiral RICHARDSON. Thank you, Sir.

Mr. Chairman, Vice Chairman Durbin and distinguished members of the Committee, I am honored and humbled for the privilege to appear before you today as your CNO, on behalf of the more than 500 thousand active and reserve Sailors, our Navy civilians and their families, to discuss the Navy's budget request.

And to start I want to thank you for your leadership in keeping our Nation secure and in keeping our Navy the strongest Navy

that has ever sailed the seas, and this year's budget continues that important work.

It's always good to start by framing the problem.

America has been and remains a maritime nation and our prosperity is tied to our ability to freely operate in the maritime environment. And today's strategic environment is increasingly globalized and increasingly competitive. Global systems are used more, stressed more and contested more and for the first time in 25 years, there is competition for control of the seas.

The maritime environment has seen explosive growth from the sea floor to space, from deep water to the shoreline and in the information domain. Things are accelerating.

The global information system has become pervasive and has changed the way we all do business, including at sea.

Technology is being introduced at an unprecedented rate and is being adopted by society just as fast.

And finally, a new set of competitors are moving quickly to use these forces to their advantage. And for the first time in 25 years, the United States is facing a return to great power competition.

These new forces have changed what it means for the Navy and Marine Corps to provide maritime security. And while the problems are more numerous and complex, our responsibility remains the same. Naval forces must provide our leaders credible options to protect America from attack, to advance our prosperity, to further our strategic interests, to assure our allies and partners and deter our adversaries, which rests on the ability of the Navy, working with our sister services, to win decisively if conflict breaks out.

To do this the Navy is focusing on four lines of effort.

First and foremost, we're going to do right by our people.

Senator Durbin, I was there at Great Lakes just last weekend. Got a chance to see that terrific team just bring people from around the nation in and sailorize them and get them off to a great start. And the support of the community there in Great Lakes is absolutely critical to that mission.

The second line of effort with the Marines will be broadening Naval warfighting concepts and capabilities. We'll be strengthening our partnerships and we will be learning faster.

Unquestionably the most important part of our Navy is our team.

Everything we do starts and ends with our Sailors, civilians and their families. And as our platforms and missions become more complex, our need for talented people continues to be a challenge. We need to recruit, train and retain the right people. And our Sailor 2025 initiatives are aimed squarely at that challenge.

But these efforts are based on our core values of honor, courage and commitment and demonstrated through four core attributes of integrity, accountability, initiative and toughness.

That team is committed to our mission which requires us to strengthen Naval power at and from the sea. This budget reflects some very tough choices as we achieve this aim. We have prioritized shipbuilding and the industrial base.

First in that effort is the *Ohio* Replacement Program which, I believe, is vital to our survival as a Nation. We are taking steps to more deeply ingrain information warfare and we're investing in our

Naval aviation enterprise, rapidly integrating unmanned systems and bolstering our investments in advanced weapons.

In addition to these investments, we are adjusting our behaviors to keep pace with the world that continues to accelerate. And we are doubling down on an approach that relies more heavily on experimentation and prototyping. We are pursuing multiple avenues to drive shorter learning cycles into all that we do. We must learn faster.

To close, I wanted to mention that I've had the honor over the last few days to spend time with Senior Chief Ed Byers, who was awarded the Medal of Honor Monday by the President on behalf of the Congress. Senior Chief Byers represents the very best of our servicemen and women and he is emblematic of this generation's continued commitment to our core values and to their fellow Americans.

He's a Navy SEAL. And the SEAL ethos reads, "My loyalty to country and team is beyond reproach. I humbly serve as a guardian to my fellow Americans, always ready to defend those who are unable to defend themselves. I do not advertise the nature of my work nor seek recognition for my actions."

Mr. Chairman, all our people want to do is protect this great Nation. It's my job to lead them well and prepare them for that task. The 2017 Navy budget is this year's best approach to solving the problems and seizing the opportunities that face the Navy today.

I thank you again for your leadership and support and I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF ADMIRAL JOHN M. RICHARDSON

Chairman Cochran, Vice Chairman Durbin, and distinguished members of the Committee, it is an honor to appear before you today. This is my first of hopefully many chances to discuss the future of the United States Navy with you, and as your Chief of Naval Operations, I look forward to continuing to work closely with you to ensure that your Navy is best postured to defend America's interests around the globe.

Prior to my confirmation, I testified that my most serious concern was the gap between challenges to America's security and prosperity and the resources available to protect them. In January of this year, I outlined this gap in more detail when I released A Design for Maintaining Maritime Superiority (the "Design"), which describes an increasingly competitive environment and the lines of effort the Navy will pursue to execute our mission in that environment. The thinking in the Design reflects inputs from leaders inside and out of the Navy and is guiding our way forward. It shaped our budget submission and shapes my testimony below.

The 2017 budget is this year's best approach to solving the problems and seizing the opportunities that face the Navy today. The budget reflects some constants; America has been a maritime nation since we began. Our prosperity continues to depend on our maritime security—over 90 percent of our trade is shipped over the seas—and this linkage will only tighten in the future. Against the backdrop of this historical truth, current problems and opportunities are growing rapidly. The maritime environment has remained remarkably constant since man first put to sea thousands of years ago. The oceans, seas, shipping lanes and chokepoints are physically unchanged in the modern era, but the maritime system has seen explosive growth in the past 25 years. Traffic over the seas has increased by 400 percent since the early 1990's, driving and outpacing the global economy, which has almost doubled in the same period. Climate change has opened up trade routes previously closed. Access to resources on the seafloor has also increased, both as Arctic ice has receded and as technology has improved. And just as it has in the past, our future as a Nation remains tied to our ability to operate freely on the seas.

That maritime freedom is coming under increasing pressure and stress. For the first time in 25 years, there is competition for control of the seas. Nations like China

and Russia are using their newfound maritime strength not only to advance their national goals, but also to challenge the very rules and standards of behavior upon which so many nations since the end of World War II have based their growth. We should interpret this challenge to international rules and order as a challenge to our own security and prosperity, and to the security and prosperity of all who support an open, fair architecture.

It is against this background that I consider the gravity of the Navy's mission statement, as reflected in the Design:

"The United States Navy will be ready to conduct prompt and sustained combat incident to operations at sea. Our Navy will protect America from attack and preserve America's strategic influence in key regions of the world. U.S. naval forces and operations—from the sea floor to space, from deep water to the littorals, and in the information domain—will deter aggression and enable peaceful resolution of crises on terms acceptable to the United States and our allies and partners. If deterrence fails, the Navy will conduct decisive combat operations to defeat any enemy."

To me these words are not an abstraction, and are easiest to appreciate in the context of what naval forces do every day. As just one example, there was a day last fall when:

- The destroyer USS *Donald Cook* transited the Mediterranean, following an 11-nation multinational exercise in the Black Sea and a port visit to Odessa, Ukraine—demonstrating our commitment to our NATO allies;
- Sailors at the Navy Cyber Defense Operations Command in Suffolk, VA monitored intrusion prevention sensors that actively mitigated almost 300,000 instances of unauthorized or adversary activity across the Navy network enterprise, including more than 60,000 threats to afloat networks;
- The Kearsarge Amphibious Readiness Group, with the 26th Marine Expeditionary Unit aboard, participated in a Turkish-led amphibious exercise, demonstrating our combined capability and physically displaying our commitment to U.S. allies and partners;
- Five ballistic missile submarines patrolled the oceans (the latest in over 4,000 patrols since 1960), providing 100 percent readiness in providing strategic deterrence;
- USS *Fort Worth*, a Littoral Combat Ship, swapped crews in Singapore after participating in a Cooperation Afloat Readiness And Training (CARAT) exercise with the Bangladesh Navy, developing cooperative maritime security capabilities that support security and stability in South and Southeast Asia.
- Sailors from a Coastal Riverine Squadron and an Explosive Ordnance Disposal unit participated in an exercise in Cambodia, increasing maritime security cooperation and interoperability between the two navies;
- Navy SEALs trained and advised Iraqi forces in the fight against ISIL extremists, facilitating, mentoring, and enhancing their ability to secure their territory;
- Members of the Navy Expeditionary Combat Command provided tactical intelligence training to Ghanaian Maritime Law Enforcement and Naval service members at Sekondi Naval Base, increasing our partners' capacity and capability to secure their territorial waters;
- The aircraft carrier USS *Ronald Reagan* launched four F/A-18 fighters to intercept and escort two approaching Russian TU-142 Bear aircraft that approached as the carrier was operating in the Sea of Japan, operating forward to preserve freedom of action; and
- The fast-attack submarine USS *City of Corpus Christi* operated in the Western Pacific, after participating with the Indian and Japanese Navies in Exercise Malabar 2015, increasing our level of engagement with our partners across the Indo-Asia Pacific.

All of these events occurred on a single day: October 27, 2015. But none were in the headlines. That is because on that day the guided missile destroyer USS *Lassen* conducted a freedom of navigation operation in the South China Sea, one of the many visible demonstrations of our international leadership and national commitment to preserving a rules-based international order that the Navy conducts routinely around the world.

Your Navy's ability to execute these responsibilities—our mission—is becoming more difficult as three interrelated forces act on the global economic and security environments, and as new actors rise to challenge us. I have already described the first force—the force exerted by the expanding use of the maritime domain, on, over, and under the seas. This global system is becoming more used, stressed, and contested than perhaps ever before, and these trends show no signs of reversing.

The second force is the rise of the global information system. Newer than the maritime system, the information system is more pervasive, enabling an even greater multitude of connections between people and at a much lower cost of entry. Information, now passed in near-real time across links that continue to multiply, is in turn driving an accelerating rate of change.

The third interrelated force is the rising tempo at which new technologies are being introduced. This is not just information technologies, but also those that incorporate advances in material science, increasingly sophisticated robotics, energy storage, 3-D printing, and networks of low-cost sensors, to name just a few examples. The potential of genetic science and artificial intelligence is just starting to be realized, and could fundamentally reshape every aspect of our lives. And as technology is developed at ever-increasing speeds, it is being adopted by society more quickly as well—people are using these new tools as quickly as they are produced, in new and novel ways.

Our competitors and adversaries are moving quickly to use these forces to their advantage, and they too are shifting. For the first time in decades, the United States is facing a return to great power competition. Russia and China demonstrate both the advanced capabilities and the desire to act as global powers. This past fall, the Russian Navy operated at a pace and in areas not seen since the mid-1990's, and the Chinese PLA(N) continued to extend its reach around the world. Their national aspirations are backed by a growing arsenal of high-end warfighting capabilities, many of which are focused specifically on our vulnerabilities. Both nations continue to develop information-enabled weapons with increasing range, precision and destructive capacity, and to sell those weapons to partners like Iran, Syria, and North Korea.

From a strategic perspective, both China and Russia are also becoming increasingly adept in coercion and competition below the thresholds of outright conflict, finding ways to exploit weaknesses in the system of broadly accepted global rules and standards. For example, Russia has continued its occupation and attempted annexation of another nation's territory. And, as perhaps the most startling example, China's land reclamation and militarization of outposts amidst the busiest sea lanes on the planet casts doubt on the future accessibility of our maritime domain. China is literally redrawing the map in the South China Sea by creating artificial islands, to which they then claim sovereign territorial rights, now complete with surface to air missiles and high performance radars. Their activity creates great uncertainty about the intentions and credibility of their leadership.

Russia and China are not the only actors seeking to contest U.S. and global interests in the emerging security environment. Others are also pursuing advanced technology, including military technologies that were once the exclusive province of great powers; this trend will persist. Coupled with an ongoing dedication to furthering its nuclear weapons and missile programs, North Korea's provocative actions continue to threaten security in Northeast Asia and beyond. Iran's advanced missiles, proxy forces and other conventional capabilities pose threats to which the Navy must remain prepared to respond. Finally, international terrorist groups such as ISIL and Al Qaeda have proven their resilience and adaptability and pose a long-term threat to stability and security around the world.

In summary, these new forces have changed what it means for the Navy and Marine Corps to provide maritime security; the problems are more complex, demanding, and numerous than ever before. But our responsibility remains the same. Naval forces must provide our leaders credible options that allow them to advance the Nation's prosperity, defend its security, further its strategic interests, assure its allies and partners, and deter its adversaries—which rests on the ability of the Navy and our sister services to decisively win if conflict breaks out. The breadth of challenges we face demands a range of options, and they must be credible. Only then can the United States effectively advocate as a maritime power for the system of global rules and standards that underpin shared prosperity now and in the future.

It is becoming increasingly difficult for the Navy to present a sufficient number of credible options for leadership. While the predictability provided by the 2015 Bipartisan Budget Act is greatly appreciated, the Navy's fiscal year 2017 budget submission comes on the heels of four prior years' budgets that collectively provided \$30 billion less than requested levels to the Department of the Navy. It represents yet another reduction of almost \$5 billion from 2016 funding levels. And we have started the last 6 years with a continuing resolution, with an average duration of 120 days. In response, we have had to modify our behaviors with a host of inefficient practices, the use of short-term contracts offering less than best value to the government, and the associated increased workload on our shrinking headquarters staffs. Continuing Resolutions can also delay critical programs, including those with little to no margin for delay, such as the Ohio Replacement Program. And it's worse than

that: the fiscal uncertainty sends ripples through the entire system—the industrial base is hesitant to invest, and our people remain concerned about the next furlough or hiring freeze or overtime cap. This unpredictability adds to the burden on our Navy team and drives prices up.

So the challenges are increasing and funding is decreasing. America remains the primary leader of the free world, with the most capable military force on the planet. And we remain a maritime Nation whose future is inextricably tied to the seas. Our Navy has tremendous responsibilities to ensure that future is secure and prosperous. Within those constraints, our fiscal year 2017 budget proposal reflects the best portfolio of credible options to achieve our mission. Budget constraints are forcing choices that limit our naval capability in the face of growing and rising threats. The Navy's budget addresses our gaps on a prioritized basis, and starts to accelerate our capabilities so that we can maintain overmatch relative to our adversaries.

STRENGTHEN OUR NAVY TEAM FOR THE FUTURE

Without question, the most important part of our budget is our investment in our Navy Team—our Active and Reserve Sailors, our Navy Civilians, and their families. I am pleased that we were able to provide a 1.6 percent pay raise for our Sailors this year, outpacing inflation and 0.3 percent more than last year. Just as important are the investments we are making to improve the environment for the Team. As the Design makes clear, some of the biggest impacts that we can make on our warfighting capability do not involve a lot of money, but instead are changes to how we do business.

These changes can't come soon enough. As our platforms continue to become more technologically advanced and missions become more complex, our need for talented, qualified recruits will grow. Further, the competition for that talent grows more intense every day. This budget keeps us on a good path. Our Sailor 2025 program is a dynamic set of initiatives, process improvements and management tools designed to increase career choice and flexibility, provide advanced, tailored learning, and expand support to our Navy families. In fiscal year 2017, we begin to fully invest in the Sailor 2025 Ready Relevant Learning initiative, which will begin to create a new way of training our Sailors through mobile, modular learning, re-engineered content, and an improved IT infrastructure.

In this budget, we fund a wide range of initiatives to strengthen our Sailors individually and as a team. The Design highlights the importance of our core values of honor, courage and commitment, as demonstrated through four core attributes—integrity, accountability, initiative, and toughness. We are implementing a strategy, headed up by our 21st Century Sailor Office, to inculcate these attributes throughout the fleet and improve Sailor readiness and resilience. We continue to further develop a climate of dignity and respect throughout the Fleet. We also look to eliminate the toxic behaviors that destroy the fabric of the team—including sexual harassment and assault, hazing and alcohol abuse. We have increased funding over the FYDP to address sexual assault prevention and response, adding 24 new positions to the Naval Criminal Investigative Service—on top of 127 additions in the previous 2 years—to speed investigations while continuing our support for programs aimed at prevention, investigation, accountability, and support for survivors such as the Victim Legal Counsel Program.

As we seek greater efficiencies, planned adjustments allow us to take modest reductions (3,600 Sailors in fiscal year 2017) in our active duty end strength. These are consistent with advances in training methods and with standing down the Carrier Air Wing 14. There will be no reductions in force or any other force-shaping initiatives—we will achieve this through natural attrition. Nobody will lose their job.

One of my observations since taking office is that we can do more to increase the synergy between our military and civilian workforces. Your Navy civilians are integral to all that we do. They work in our shipyards and aviation depots, provide scientific and technical expertise in our labs, and guard our bases and other facilities. To respond to increasing security concerns, we have invested this year in increased force protection measures, including in those civilians who keep our people and property safe. Some of the maintenance and readiness shortfalls we are still digging out from were made worse by civilian hiring and overtime freezes and a furlough in fiscal year 2013. Worse, these actions strained the trust within our team. This budget adds a net of over 1,300 civilian positions in fiscal year 2017 to support additional maintenance, enhance security, and operate our support ships, and continues the investments in our civilian shipmates that help to forge one seamless team. Even as we implement these key initiatives to address security and to recover readi-

ness, we balance that growth with reductions over the FYDP of 3,200 FTE (1.8 percent), for a net reduction of 1,900.

STRENGTHEN NAVAL POWER AT AND FROM THE SEA

That team, with our Marine Corps partners, is committed to our mission, which must be conducted in the environment I described above. The Design calls for us to strengthen naval power at and from the sea to address the growing scale, congestion, and challenge in the maritime domain. The Ohio Replacement Program (ORP) is paramount to that effort, and remains our top priority. In my opinion, it is foundational to our survival as a Nation. This budget funds the ORP; construction is planned to start in fiscal year 2021. This start date is vitally important to prevent any impact to continuous at-sea deterrence at a time when it could be even more relevant than today.

To the maximum extent possible, we have also prioritized shipbuilding and the industrial base that supports it. Our current fleet of 272 ships is too small to meet the array of mission requirements our Nation demands. In this budget, we remain on a path to achieve 308 ships by 2021. This year, we are funding two advanced guided missile destroyers with upgraded radars (DDG Flight IIIs with SPY-6), two Virginia-class attack submarines, two Littoral Combat Ships, and the procurement of an amphibious assault ship replacement (LHA(R)). The Ford carrier remains under its cost cap and will deliver in 2016; we are continuing to exercise strong oversight and discipline to ensure the cost of her sister ships Kennedy and Enterprise also remain under budget. And we have exceeded our shipyard investment goal—we're at 8.1 percent, well beyond the 6 percent legislative requirement.

As the Design emphasizes, we are fully committed to further ingraining information warfare into our routine operations. This is essential to the Navy's future. For example, we are increasing procurement of the Surface Electronic Warfare Improvement Program (SEWIP) Block II and III by 45 units. We are also investing in network modernization afloat and ashore through 10 installations of the Consolidated Afloat Networks and Enterprise Services (CANES) system in fiscal year 2017.

To help remediate one of our most stressed areas, we have enhanced our investments in the naval aviation enterprise. We are investing in bringing fifth generation aircraft to the fleet, adding ten F-35Cs over the FYDP. We are also replacing F-18 airframes that are meeting the end of their projected service lives faster than projected, adding 16F/A-18 E/Fs over the next 2 years. Further, we are adding upgrades to the Super Hornet to make it more capable in a high-end fight. And we are updating our strategy to more rapidly integrate unmanned aerial vehicles into our future air wing. Revisions to our unmanned carrier-launched airborne surveillance and strike (UCLASS) program will help us to meet current mission shortfalls in carrier-based surveillance and aerial refueling capacity, and better inform us about the feasibility of future additional capabilities we desire.

To meet an increasingly lethal threat, this budget bolsters our investments in advanced weapons across the FYDP. We are buying 100 additional tactical Tomahawks, 79 more air-to-air AMRAAM missiles, additional sea-skimming targets, and accelerating our investments in SM-6 missile development in order to provide a full range of capability enhancements to the fleet. However, budget pressures also caused us to cut other weapons investments such as the Mk-48 torpedo and AIM-9X air-to-air missile. Many of our production lines are at minimum sustaining rates, and the low weapons inventory is a continuing concern.

ACHIEVE HIGH VELOCITY LEARNING AT EVERY LEVEL

All of these investments will deliver important capabilities to better posture us for the current and future environment. But, as or more importantly, we must also adjust our behavior if we are to keep pace with the accelerating world around us.

This budget reflects some of that increase in pace. We are changing how we approach training and education to take advantage of new tools and to push learning out to where our Sailors spend the bulk of their time—their units. The intent is not to burden those units more, but to empower their leaders and give Sailors the best tools to support what science is increasingly revealing about how people learn most effectively.

It also means that Navy leaders, up to and including me as the CNO, must exercise full ownership of how we develop and acquire new capabilities for the future. That ownership has four elements: authority, responsibility, accountability, and technical expertise. I am committed to exercising that ownership, and to creating or supporting new ways to exercise it faster.

We are doubling down on an approach that relies more heavily on experimentation and prototyping, connected at the hip with the Fleet, to help meet mission

needs while simultaneously helping us to better define our requirements. We are pulling our more ambitious projects closer to the present so we can learn our way forward, faster and with better information. We are taking this approach with the Remote Minehunting System, Large Displacement Unmanned Undersea Vehicle (LDUUV), and UCLASS programs, and we will continue to seek additional programs to which it can be applied.

We are also reexamining our processes and organization to ensure they are best aligned to support a faster pace. This budget includes a small amount of funding for the Rapid Prototyping, Experimentation, and Demonstration initiative, a process we have already begun to implement that “swarms” technical experts to Fleet problems, rapidly generates operational prototypes, and gets them into the hands of Sailors and Marines so we can continue to refine and improve them. We also are standing up a capability along the lines of the Air Force’s Rapid Capabilities Office; we’ll call it the Maritime Accelerated Capabilities Office (MACO). This will concentrate requirements, technical, and acquisition expertise on high-priority projects to fast-track their development and fielding.

Finally, Congress has rightly pressed us to reexamine whether we are being as efficient as we can be. Our budget reflects some of the efforts that we are taking in that regard, but fundamentally, we are focused on making every dollar count. I am taking a personal role in that process, asking hard questions and pushing us to become more cost-effective and agile as we apply a learning-based approach to all that we do.

CONCLUSION

This year’s budget request represents a portfolio of investments that employ our available resources to best effect. The gap between our responsibilities and our funding levels represents risk—risk of Sailors’ lives lost, of a weakened deterrent, of a slower response to crisis or conflict, of greater financial cost, of uncertainty for our international partners—all of which affect the security and prosperity of America. While it is impossible to quantify this risk precisely, I believe the balance reflected in this proposal improves our prospects going forward.

Such improvements are much needed. Concurrent with increasing global challenges, budget pressures have led the Navy to reduce our purchases of weapons and aircraft, slow needed modernization, and forego upgrades to all but the most critical infrastructure. At the same time, maintenance and training backlogs—resulting from continued high operational tempo and exacerbated by sequestration in 2013—have delayed preparation for deployments, which in turn has forced us to extend units already at sea. Since 2013, eight carrier strike groups, four amphibious readiness groups, and twelve destroyers have deployed for 8 months or longer. The length of these deployments itself takes a toll on our people and the sustainability and service lives of our equipment. Further, these extensions are often difficult to anticipate. The associated uncertainty is even harder on Sailors, Marines, and their families and wreaks havoc on maintenance schedules, complicating our recovery still further.

We cannot continue to manage the risks we face absent broader change. As CNO, I will strive to keep the U.S. Navy on the road to remaining a force that produces leaders and teams who learn and adapt to achieve maximum possible performance. We will achieve and maintain high standards to be ready for decisive operations and if necessary, to prevail in combat. We will fight for every inch of advantage. In this way, we will provide sufficient, credible, options to leadership in order to guarantee America’s security and prosperity now and into the future. I very much look forward to working with you and your fellow Members of Congress as we proceed.

Senator COCHRAN. Thank you, Admiral Richardson.

And we’ll now turn to the Commandant of the Marine Corps, General Robert B. Neller, for any comments, statement.

STATEMENT OF GENERAL ROBERT B. NELLER, COMMANDANT, UNITED STATES MARINE CORPS

General NELLER. Chairman Cochran, Ranking Member Durbin, distinguished members of the Committee, thank you for the opportunity to appear before you today.

Marines know that the Congress and the American people we serve have high expectations of us. They expect us to be ready. You expect us to be ready to answer the call to fight and win.

Today Marines are forward deployed in Iraq, Afghanistan, the Far East and around the globe ready to respond to crisis. The posture of our force would not be possible without the support and actions of this Congress.

Our global orientation, maritime character and expeditionary capability have been ably demonstrated during this past year.

In 2015 Marines executed approximately 100 operations, 20 of them amphibious, 140 theater security cooperation events and 160 major exercises.

As we remain engaged in the current fight and maintain our forward presence in order to respond to crisis, our enemies and potential adversaries have not stood idle. They have developed new capabilities which now equal or in some cases may exceed our own. This is further complicated by a constrained resource environment from which we must continue our current operational tempo, reset our equipment, maintain our warfighting readiness and at the same time, modernize the force.

As our attention is spread across the globe in a security environment where the only certainty is uncertainty, we must make decisions about our strategy and structure that will determine our nation's military capability in the future.

The character of the 21st century is rapid evolution and it is imperative that we keep pace with the changes. History has not been kind to militaries that have failed to evolve. And the change we see in the 21st century is dramatic.

The efforts of the 114th Congress have provided sufficient resources to support the Marine Corps near term readiness and we thank the Congress for that fiscal stability.

However, the fiscal year 2017 budget increasingly stretches the Nation's ready force. Your Marine Corps finds itself increasingly challenged to simultaneously generate current readiness, reset our equipment, sustain our facilities and modernize our future readiness.

Maintaining the quality of the men and women in today's Corps is our friendly center of gravity, that which we must protect. This is the foundation from which we make Marines, win our Nation's battles and return quality citizens to American society. Our goal is to ensure every Marine is set up for success on the battlefield and in life and understands their value to their Corps and to their Nation.

As the Marine Corps draws down to 182,000 Marines this fiscal year, we continue to develop capabilities in fifth generation aircraft, the F35B and C, cyber warfare, information operations, special operations, Embassy security guards and our security cooperation group.

The Congress' intent for the Marine Corps is to serve as the Nation's force in readiness guides who we are and what we do. Being ready is central to our identity as Marines. The fiscal reductions and instability of the past years have impacted our readiness.

Our resources have diminished. The Marine Corps has protected the near term operational readiness of its deployed and next to deploy units in order to meet current operational commitments. This means we do not have the depth in readiness on our bench that we would like to have.

Modernization is our future readiness. The recapitalization of our force is essential to this future readiness with investments in facility sustainment, equipment reset, modernization, ground combat vehicles, aviation, command and control and digitally interoperable protected networks.

With the continued support of Congress, the Marine Corps will maintain ready forces today and modernized to generate this future readiness.

The wisdom of the 82nd Congress, reaffirmed by the 114th Congress, remains valid today. The vital need for a strong force in readiness and Marines are honored to serve in this role.

Thank you again for the opportunity to appear before you today and for your leadership in addressing these fiscal challenges and our warfighting readiness. I look forward to your questions.

[The statement follows:]

PREPARED STATEMENT OF GENERAL ROBERT NELLER

PROLOGUE

The United States Marine Corps is the Nation's expeditionary force in readiness. The intent of the 82nd Congress defined and shaped our culture, organization, training, equipment, and priorities. Marines appreciate the leadership of the 114th Congress in reaffirming that role, especially as the strategic landscape and pace of the 21st Century demands a ready Marine Corps to buy time, decision space, and options for our Nation's leaders. Congress and the American people expect Marines to answer the call, to fight, and to win.

Our global orientation, maritime character, and expeditionary capability have all been ably demonstrated during the past year. The capabilities of our total force are the result of the planning and execution of committed Marines and Sailors operating under the leadership of my predecessors. These capabilities and the posture of our force would not be possible without the support and actions of the Congress. As our attention is spread across the globe in a security environment where the only certainty is uncertainty, we must make decisions about our strategy and structure that will determine our Nation's military capability in the future. Today's force is capable and our forward deployed forces are ready to fight, but we are fiscally stretched to maintain readiness across the depth of the force, and to modernize, in order to achieve future readiness.

Situation

The current global security environment is characterized by violence, conflict and instability. Multidimensional security threats challenge all aspects of our national power and the international system. The expansion of information, robotics, and weapons technologies are causing threats to emerge with increased speed and lethality.

Over the last 15 years, the United States fought wars in the Middle East, and your Marines continue to respond to crises around the globe. There has not been an "inter-war period" to reset and reconstitute our force. Your Marines and Sailors have remained operationally committed at the same tempo as the height of our operations in Iraq and Afghanistan. As we have remained engaged in the current fight, our enemies and potential adversaries have not stood idle. They have developed new capabilities which now equal or in some cases exceed our own.

This unstable and increasingly dangerous world situation is further complicated by a constrained resource environment from which we must continue current operations, reset our equipment, maintain our warfighting readiness, and at the same time, modernize the force. Therefore, it has become necessary that we continually balance our available resources between current commitments and future readiness requirements. This requires pragmatic institutional choices and a clear-eyed vision of where we need to be in 10–20 years.

What Marines are doing today...

Today, Marines remain forward deployed in Iraq and Afghanistan, and ready to respond to crisis around the world. Marines and Sailors are presently managing instability, building partner capacity, strengthening allies, projecting influence, and preparing for major theater combat operations. In 2015, Marines executed approxi-

mately 100 operations, 20 amphibious operations, 140 theater security cooperation events, and 160 major exercises.

Our Nation has Marines on the ground in Iraq and Afghanistan today, and we anticipate our commitment could grow in the future. Marines continue to advise, train and enable the Iraqi Security Forces and other designated Iraqi forces with peer-to-peer advising and infantry training. In Afghanistan, Marines continue to serve as advisors with the Republic of Georgia's Liaison Teams (GLTs) in support of Operation RESOLUTE SUPPORT. From forward-deployed locations afloat and ashore, Marine tactical aviation squadrons continue to support operations in Syria and Iraq. In 2015, aviation combat assets executed over 1,275 tactical sorties and 325 kinetic strikes that have killed over 600 enemy combatants and destroyed over 100 weapons systems and 100 technical vehicles.

Our Amphibious Ready Group/Marine Expeditionary Unit (ARG/MEU) Teams continue to show their capability a flexible and agile maritime force. In 2015, the Marine Corps deployed over 12,000 Marines with our shipmates on Navy warships. This past year, five separate MEUs supported every Combatant Commander, participating in exercises and executing major operations. The 31st MEU, our Forward Deployed Naval Force in the Pacific, performed disaster relief operations on Saipan after Typhoon Soudelor passed through the Commonwealth of the Northern Mariana Islands (CNMI). Marines were ashore to support the relief effort within 12 hours of notification and delivered a total of 11,000 gallons of fresh water and 48,000 meals.

As part of the New Normal your Corps deployed two Special Purpose Marine Air Ground Task Forces—Crisis Response (SPMAGTF-CR) to US Central Command and US Africa Command. These forces are tailored to respond to crises and conduct security cooperation activities with partner nations, but they do not provide the same flexibility and responsiveness of an ARG/MEU. Our SPMAGTF assigned to CENTCOM today provides dedicated Tactical Recovery of Aircraft and Personnel (TRAP) support to Operation INHERENT RESOLVE, in Iraq and Syria, and simultaneously provides a flexible force for crisis and contingency response. In AFRICOM, our SPMAGTF supported Embassies through reinforcement, evacuation, and operations to reopen a previously closed Embassy in Central African Republic. Your Marines also supported operations during the Ebola crisis and assisted with elections. Finally, a SPMAGTF deployed to the US Southern Command in 2015. SPMAGTF-SC's primary focus was the reconstruction of a runway in Mocoron Airbase, Honduras and theater security cooperation and training in Honduras, El Salvador, Guatemala and Belize.

The Marine Corps' activities in the Pacific are led by Marine Forces Pacific (MARFORPAC) headquartered in Honolulu, Hawaii, with a forward stationed Marine Expeditionary Force (MEF), III MEF, headquartered in Okinawa, Japan. III MEF contributes to regional stability through persistent presence and Marines remain the Pacific Command's (PACOM) forward deployed, forward stationed force of choice for crisis response. The Marine Corps continues to rebalance its force lay-down in the Pacific to support Defense Strategic Guidance (DSG), with 22,500 Marines West of the International Date Line, forward-based, and operating within the Asia-Pacific Theater. The planned end state for geographically distributed, politically sustainable and operationally resilient MAGTFs in the Pacific is a long-term effort that will span the next 15 years. The Marine Rotational Force-Darwin (MRF-D), based in Australia's Robertson Barracks, is in its fourth year of operation. This year we will deploy approximately 1,200 Marines to Darwin for a 60-month deployment.

The Marine Corps continues to work closely with the State Department to provide security at our Embassies and Consulates. Today, Marines are routinely serving at 174 Embassies and Consulates in 146 countries around the globe. Approximately 117 Embassies have increased support in accordance with the 2013 NDAA. We have added 603 Marines to the previously authorized 1,000 Marine Security Guards; 199 in new detachments, 274 towards increased manning at current detachments, and 130 towards the Marine Security Augmentation Unit (MSAU). Additionally, the U.S. Embassy in Havana, Cuba was reopened on July 2015, with Marines serving at this Embassy as they do in any other.

Our partnering capabilities assure allies, deter adversaries, build partner capacity, and set conditions for the readiness to surge and aggregate with a Joint, Coalition or Special Operations force for major theater combat operations. Partnering also trains our Marines for environments in which we are likely to operate. In 2015, the Marine Corps, in conjunction with Combatant Commanders and the Marine Forces Component Commands, conducted more than 140 security cooperation activities, including exercises, training events, subject matter expert exchanges, formal education key leader engagements, and service staff talks. Your continued support

has allowed the Marine Corps to operate throughout the world today; now we must ensure our readiness tomorrow.

FIVE AREAS OF FOCUS

Today, in addition to supporting the Combatant Commander's requirements, the Marine Corps is focused on near-term efforts in five interrelated areas that are vital to achieving our future success: People, Readiness, Training, Naval Integration, and Modernization. Across these five areas, three major themes run throughout: maintaining and improving the high quality people that make up today's Marine Corps; decentralizing the training and preparation for war while adhering to Maneuver Warfare principles in the conduct of training and operations; and modernizing the force, especially through leveraging new and emerging technologies. The future requires Marines to embrace change to leverage the rapid advancements in technology at the pace of the 21st Century in order to gain an operational advantage over any potential adversary we may face in the future.

PEOPLE

The success of the Marine Corps hinges on the quality of our Marines. This is the foundation from which we make Marines, win our Nation's battles, and return quality citizens to American society. The Marine Corps will maintain a force of the highest quality which is smart, resilient, fit, disciplined and able to overcome adversity. Maintaining the quality of the men and women in today's Corps is our friendly center of gravity. Our goal is to ensure every Marine is set up for success on the battlefield and in life, and understands their value to the Marine Corps and the Nation.

The Marine Corps continues to benefit from a healthy recruiting environment that attracts quality people who can accomplish the mission. Our recruiting force continues to meet our recruiting goals in quantity and quality and is postured to make this year's recruiting mission. We are on track to meet our active duty end strength goal of 182,000 Marines in fiscal year 2016, and we will look to maximize the capabilities of each and every Marine. Where it makes sense, we will look to leverage the unique skills of our Reserve Marines to align what they bring from the civilian sector and better enable the readiness of our Total Force.

As the Marine Corps completes our current draw down, competition for retention will continue. We will strive to retain the very best Marines capable of fulfilling our leadership and operational needs. This is accomplished through a competitive career designation process for officers and a thorough evaluation process for enlisted Marines designed to measure, analyze, and compare Marines' performance, accomplishments, and future potential. The Marine Corps continues to retain quality Marines in a majority of occupational fields while others, like aviation and infantry, are more challenging. An additional challenge for all Marines is remaining focused on training for war balanced against the volume of mandatory "top down" training requirements not directly associated with warfighting.

Marine Leaders have a moral obligation to ensure the health and welfare of the Nation's Marines from the day they make the commitment to serve. We take this responsibility very seriously and strive to maintain the trust and confidence of Congress and the American People by immediately addressing any challenge to Marine Corps readiness and finding solutions through our people and readiness programs. We have reinvigorated the Marine for Life Program and continue to progress with our Marine Corps Force Integration Plan (MCFIP), Sexual Assault Prevention and Response Program (SAPR), Protect What You've Earned Campaign (PWYE), Suicide Prevention and Response Program, our Wounded Warrior Regiment, Marine and Family Programs, and Transition Assistance Programs. The Marine Corps remains focused on solutions to address the destructive behavior of sexual assault, suicide and hazing. The abuse of alcohol has proven to be a contributing factor across the spectrum of force preservation issues that impact the readiness of our force. Our goal continues to be the elimination of this destructive behavior from our ranks, and we believe that preserving our commanders' ability to lead in this area is a vital element to reaching this objective.

READINESS

The Congressional intent to serve as the "Nation's Force in Readiness" guides who we are and what we do—being ready is central to our identity as Marines. As a force, we will remain ready to fight and win across the range of military operations and in all five warfighting domains—maritime, land, air, cyber and space. The fiscal reductions and instability of the past few years have impacted our readiness. As resources have diminished, the Marine Corps has protected the near-term operational

readiness of its deployed and next-to-deploy units in order to meet operational commitments. This has come at a risk.

The Marine Corps will continue to prioritize the readiness of deployed and next-to-deploy units over non-deployed units. The majority of our units are deploying ready while our non-deployed commands lack sufficient resources to meet the necessary personnel, training, and equipment readiness levels in order to respond today. However, to meet Congress' intent that we remain the nation's force in readiness, the Marine Corps requires a "ready bench" that is able to deploy with minimal notice and maximum capability.

Our aviation units are currently unable to meet our training and mission requirements primarily due to Ready Basic Aircraft shortfalls. We have developed an extensive plan to recover readiness across every type/model/series in the current inventory, while continuing the procurement of new aircraft to ensure future readiness. The recovery and sustainment of our current fleet is necessary to support both training and warfighting requirements. Each type/model/series requires attention and action in specific areas; maintenance, supply, depot backlog, and in-service repairs. For example, in our F/A-18 community we are 52 aircraft short of our training requirement and 43 aircraft short of our warfighting requirement due to backlog and throughput at the Fleet Readiness Depot and our inventory of spares. If these squadrons were called to on to fight today they would be forced to execute with 86 less jets than they need. With the continued support of Congress, Marine Aviation can recover its readiness by re-capitalizing our aging fleet first as we procure new aircraft to meet our future needs and support our ground forces.

Simultaneous readiness initiatives are occurring with our ground equipment. Our post-combat reset strategy and Equipment Optimization Plan (EOP) are key components of the overall ground equipment "Reconstitution" effort. As of Jan 2016, the Marine Corps has reset 78 percent of its ground equipment with 50 percent returned to the Operating Forces and our strategic equipment programs. This strategic war reserve is our geographically prepositioned combat equipment both afloat and ashore where it makes the most sense to respond to contingencies. We remain focused on this recovery effort and project its completion in May of 2019. This service-level strategy would not have been possible without the continued support of Congress and the hard work of your Marines.

The Facility Sustainment, Restoration and Modernization (FSRM) initiative and current state of facilities is the single most important investment to support training, operations, and quality of life. The 2017 budget proposes funding FSRM at 74 percent of the OSD Facilities Sustainment Model. This reduced funding level is an area of concern. FSRM is a top priority to fix.

The sustainment of military construction (MILCON) funding is crucial to managing operational training and support projects. Marine Corps readiness is generated aboard our bases and stations. As we transition to new capabilities and realign our forces in the Pacific, adequate MILCON will be a key enabler for the Marine Corps' future success.

Readiness is not just in our equipment supply and maintenance, but in the quality and challenging nature of our training through the mental, spiritual and physical readiness of Marines and Sailors across the force. Readiness is the result of a variety of factors: commitment by leadership, standards-based inspections, evaluated drills and training exercises, and an understanding by all Marines and Sailors that the call can come at any time. And we must be ready and able to answer.

TRAINING, SIMULATION AND EXPERIMENTATION

The Marine Corps' training and education continuum requires parallel and complementary efforts, from Squad Leader to MAGTF Commander. Organizing and executing high quality training is a difficult task. It takes time, deliberate thought, and effort. Our approach to training must evolve. It will emphasize the basics: combined arms, competency in the use of our weapons and systems, and expeditionary operations; but it must reemphasize operations in a degraded command, control, communications, computers and intelligence (C4I) environment, camouflage/deception, operations at night, operations in a nuclear, biological and chemical (NBC) environment, and decisionmaking in rapidly unfolding and uncertain situations. We must provide opportunities to experiment and work with the latest technological advances.

Our war gaming supports the combat development process in order to develop and refine emerging concepts, conceptualize force design, and identify future capabilities and deficiencies within the future operating environments. War gaming achieves this purpose by permitting the dynamic, risk-free consideration of disruptive ideas and capabilities which enable innovation and inform Service priorities. War gaming

also supports the development of operating concepts and facilitates analysis of alternatives across the ROMO. The Marine Corps is committed to the future development of a war gaming facility at Marine Corps Base Quantico to enhance the study of the evolving characteristics of, and the requirements for, successful warfighting in the future. The Marine Corps is working to leverage virtual and constructive training environments with better tools to train higher level staffs and a focus on our leaders, from the Battalion to the Marine Expeditionary Force level. Enabled by technology, we will increase the amount of training each unit can accomplish in mentally and physically stressing environments for all elements of the MAGTF before they execute on a live training range or in combat.

Our current training schedule of major events will all focus on building on our maritime based operational capability and at the same time providing venues for experimentation. We will emphasize and increase opportunities for force-on-force training and operations in degraded environments in order to challenge Marines against a “thinking enemy” and maximize realism.

Demanding and challenging Professional Military Education (PME) is the best hedge against uncertainty and its purpose is to prepare for the unknown. Marines and Sailors of all ranks have the responsibility to educate themselves. The Marine Corps University (MCU) educates over 75 percent of Marine Corps’ Captains and Majors and provides PME opportunities for 100 percent of our enlisted force. Our training and education initiatives contribute to our readiness and enhance our ability to integrate with the Naval and Joint Force.

INTEGRATION WITH THE NAVAL AND JOINT FORCE

In order to be the Nation’s expeditionary force in readiness the Marine Corps must remain a naval combined arms expeditionary force. Our naval heritage is based on more than tradition; it is mandated by law as our primary service responsibility. Marines will reinforce our role as a naval expeditionary force to create decision space for national leaders and assure access for the Joint force as part of a naval campaign. As the service with the primary Department of Defense Directive and Title 10 responsibility for the development of amphibious doctrine, tactics, techniques, and equipment, our capabilities are reliant on the Nation’s investment in our partnered Navy programs. This requires the proper balance of amphibious platforms, surface connectors, and naval operating concepts to shape our force explicitly as part of the Joint Force, understanding where we will both leverage and enable the capabilities of the Army, Air Force and Special Operations Forces.

The Navy and Marine Corps Team require 38 amphibious warships, with an operational availability of 90 percent, to support two Marine Expeditionary Brigades, in order to provide the Nation a forcible entry capability. The Marine Corps fully supports the Secretary of the Navy and Chief of Naval Operations’ efforts to balance amphibious platforms and surface connectors that facilitate operational maneuver from the sea and ship-to-objective maneuver. The Long Range Ship Strategy (LRSS) increases the amphibious warship inventory to 34 by fiscal year 2022. We appreciate Congress providing the funding to procure a 12th LPD and the funding for a second ship with the same hull form.

The LPD and the LXR represent the Department of the Navy’s commitment to a modern expeditionary fleet. *L*-Class ships with aircraft hangars and the command and control capabilities for the distributed and disaggregated operations that have become routine for our ARG/MEU teams. The Marine Corps fully supports the Navy’s decision to use the LPD-17 hull for the LXR program. This decision is an acquisitions success story that provides a more capable ship, at lower cost, with increased capacity, on a shorter timeline to better support how Marines are operating today and are likely to in the future.

Steady state demand and crisis response sea basing requirements must be met through creative integration of all platforms and formations. This requires an integrated approach that employs warships, alternative shipping and landing basing in a complementary manner. Corresponding to the amphibious ship effort is our investment in tactical ship-to-shore mobility because at some point in the naval campaign, the landing force is going to land. The Amphibious Combat Vehicle (ACV) is critical in the conduct of protected littoral maneuver and the projection of Marines from sea to land in permissive, uncertain, and hostile environments. Our planned investments are framed by our capstone service concept, Expeditionary Force 21 (EF-21). Working with our naval partners, we are aggressively exploring the feasibility of future and existing sea based platforms to enhance the connector capabilities of our LCACs and LCUs. We have a need to modify traditional employment methods and augment amphibious warships by adapting other vessels for sea-based littoral operations. Maritime Prepositioning Ship squadrons have one Maritime Landing Plat-

form (MLP) that is effectively a “pier in the ocean.” These ships can move pre-positioned war reserves into theater and serve as afloat staging bases to receive and transfer equipment and supplies as part of an integrated MAGTF or regionally oriented MEB. The end-state is a “family of systems” designed to enhance mobility, interoperability, survivability, and independent operational capabilities to further enhance sea basing and littoral maneuver capabilities well into the 21st Century. The Marine Corps will continue to work closely with the Navy to implement the 30-year ship building plan and to address the current readiness challenges of the amphibious fleet.

The continued development of Information Warfare and Command and Control capabilities are also required for the Marine Corps to operate against increasingly sophisticated adversaries. This requires investments in interoperable combat operations centers. We are identifying and developing command and control systems and information technology architecture to support operations and ensure our ability to maneuver. Framed by service-level concepts like the Navy’s Cooperative Strategy 21 (CS-21), we will collaborate with the Navy on a Naval Operating Concept revision in order to shape future naval campaigning and naval expeditionary operations. This concept will include a greater Marine Corps contribution to Sea Control operations through interoperability with the Navy Composite Warfare Commander (CWC) structure in order to disrupt, dismantle and defeat Anti-Access/Area Denial (A2/AD) threats and optimize the single naval battle success on and from the sea. Since Marines and Special Operations Forces (SOF) remain forward deployed, we must create true integration models to maximize the capabilities of the sea-based MAGTF, including command and control (C2), alongside our SOF partners. The end state is a fully integrated and ready Navy and Marine Corps team, trained and resourced to support our joint operating concept.

MODERNIZATION AND TECHNOLOGY

History has not been kind to militaries that fail to evolve, and the change we see in the 21st Century is as rapid and dramatic as the world has ever known. That said the Marine Corps’ modernization and technology initiatives must deliver future capabilities and sustainable readiness. Marines will continue working to do what we do today better, but equally important, must be willing to consider how these same tasks might be done “differently.” The Marine Corps must continue to develop and evolve the MAGTF, ensuring it is able to operate in all warfighting domains. To do so Marines are invigorating experimentation of new concepts in order to advance our capabilities.

We will continue to develop our concepts to take advantage of the capabilities of the F-35 Joint Strike Fighter and all of our emerging aviation platforms, particularly in regard to sensor fusion and electronic warfare. Marines will continue to experiment with and exercise new ways to get the most out of the MV-22 and challenge previous paradigms in order to provide the most effective MAGTFs to our Combatant Commanders.

We will establish and define, in doctrine, our distributed operations capability in our MAGTFs by the end of fiscal year 2016. With distributed capabilities, we must also ensure our forces are not constrained at the littoral seams between Combatant Commanders. You can also expect the Marine Corps to continue to pursue technologies that enhance our warfighting capabilities such as unmanned aerial systems (UAS) and robotics, artificial intelligence, 3-D printing, and autonomous technologies that provide tactical and operational advantage.

The Marine Corps Warfighting Lab leads our experimentation effort to capitalize on existing and emerging technology and MAGTF level exercises. In conjunction with our coalition partners, the Navy and Marine Corps team has experimented with dispersed sea based SPMAGTFs, integrated MAGTFs in Anti-Access/Area Denial environments, incorporated emerging digital technologies with aviation platforms and our ground forces, and conducted naval integration with interoperable Special Operations Forces during Joint Exercises. We will continue to emphasize experimentation during our exercises as a way to inform the development of distributed doctrine and future operating concepts. Exercises serve as a test bed for experimentation as we search for faster, cheaper and smarter acquisition processes and programs.

The following equipment platforms and acquisition initiatives require special mention:

Amphibious Combat Vehicle (ACV)

The ACV is an advanced generation eight-wheeled, amphibious, armored personnel carrier that will support expeditionary maneuver warfare by enhancing tactical and operational mobility and survivability. The Marine Corps plans to procure

694 vehicles: 204 in the first increment and 490 in the second increment. Our plan is to have our first battalion initially capable in the 4th Quarter of fiscal year 2020 and all battalions fully capable by the 4th Quarter of fiscal year 2023. Your investment in this program provides the Marine Corps with an advanced ship to shore maneuver capability for the Joint Force.

Joint Strike Fighter (F-35)

The F-35 is a fifth generation fighter that will replace the Marine Corps' aging tactical aviation fleet of F/A-18 Hornets, AV-8B Harriers, and EA-6B Prowlers. The F-35 will have a transformational impact on Marine Corps doctrine as we work to both do what we're doing today better and "differently." The Marine Corps plans to procure 420 aircraft: 353 F-35Bs and 67 F-35Cs. The first F-35B squadron achieved initial operating capability in July 2015, and our second squadron will become operational in June 2016. The Marine Corps plans to complete its F-35 transition by 2031. We believe the Congressional support investment in this program will pay significant dividends for the capabilities of the Marine Corps and the Joint Force.

CH-53K

The Marine Corps' CH-53K "King Stallion" helicopter will fulfill the vertical lift requirement for amphibious and Joint Forcible Entry Operations. This CH-53 transition is critical to increasing the degraded readiness of the CH-53E community and decreasing the platform's operations and maintenance costs. The Marine Corps plans to procure 200 aircraft. The program achieved Milestone B in December 2005. The CH-53K's first flight occurred in October 2015 and our two aircraft have flown 25.8 hours.

COMMAND, CONTROL, COMMUNICATIONS, COMPUTERS AND INTELLIGENCE (C4I)

The modernization and technology effort of the Marine Corps requires an integrated network that is deployable, digitally interoperable, and supportive of rapid advancements in technology and the evolution of combat capabilities. The Marine Corps Enterprise Network (MCEN) establishes a comprehensive framework requiring the development of command and control architecture to simplify and enable operating forces to use services in a deployed environment. The priority is to provide worldwide access to MCEN services from any base, post, camp, station network, tactical network and approved remote access connection. Our goal is to provide an agile command and control capability with the right data, at the right place, at the right time.

Digital Interoperability (DI) is the effective integration of Marines, systems, and exchange of data, across all domains and networks throughout the MAGTF, Naval, Joint, and Coalition Forces, to include degraded or denied environments, in order to rapidly share information. This is a vital step in linking the MAGTF and the Joint Force to get the vast amount of information collected on all platforms into the hands of the warfighters that need it; in the air, on the ground and at sea.

The Marine Corps' goal is to retain our tactical advantage across the range of military operations with today's and tomorrow's systems. Our end state is to field and operationalize ongoing programs and continue to develop solutions that will enhance institutional capabilities and retain our tactical advantage across the ROMO.

OUR CHALLENGES

The character of the 21st Century is rapid evolution. Our potential adversaries have not stood still, and it is imperative that we keep pace with change. Two years ago, the 35th Commandant, came before Congress and testified that:

"...the 36th Commandant will reach a point, probably 2 years from now, where he's going to have to take a look at that readiness level and say, I'm going to have to lower that so that I can get back into these facilities that I can't ignore, my training ranges that I can't ignore, and the modernization that I'm going to have to do eventually. Otherwise we'll end up with an old Marine Corps that's out of date."¹

This is where we find ourselves today. The Marine Corps is no longer in a position to generate current readiness and reset our equipment, while sustaining our facilities, and modernizing to ensure our future readiness. The efforts of the 114th Congress have provided sufficient resources to support the Marine Corps' near-term readiness and we thank the Congress for this fiscal stability. However, PB17 increasingly stretches the Nation's Ready Force. We are deploying combat ready-forces at a rate comparable to the height of our commitment to Operations IRAQI FREE-

¹ Gen Amos. Posture of the United States Marine Corps. CMC, March 2014.

DOM and ENDURING FREEDOM; we are facing future facilities challenges as we try to sustain our current installations; and we are struggling to keep pace as our potential adversaries rapidly modernize. This is not healthy for your Marine Corps or for the security of our Nation.

The Marine Corps is now on its way down to 182,000 Marines by the end of fiscal year 2016. Although our recruiting force continues to meet our recruiting goals we are challenged to retain certain occupational fields like infantry and aviation. The 21st Century demands capabilities in 5th Generation Fighter Aircraft (F-35), Cyber Warfare, Information Operations, Special Operations, Embassy Security Guards, and the Security Cooperation Group that advises and assists our allies and partner nations. The Marine Corps must continue to develop and retain these capabilities with quality Marines.

In last year's fiscal year 2015 budget we were compelled, due to fiscal pressures, to limit and reduce training for our operating forces. In this year's fiscal year 2016 budget our operation and maintenance funding was further reduced by 5.6 percent. This reduction has been carried forward into our fiscal year 2017 budget. Two years of fiscally constrained operation and maintenance funds will force us to employ a prioritized readiness model for our deploying forces and prevents us from our desired readiness recovery, both in operational training and facilities sustainment. This means the Marine Corps will not have as deep and as ready a bench to draw from for a major contingency.

Modernization is future readiness. The recapitalization of our force is essential to our future readiness with investments in ground combat vehicles, aviation, command and control, and digitally interoperable protected networks. We have important combat programs under development that need your continued support. The Amphibious Combat Vehicle (ACV) will replace our Amphibious Assault Vehicle (AAV), which is now over four decades old. The Joint Strike Fighter will not only replace three aging platforms, but provides transformational warfighting capabilities for the future. Our ground combat vehicles like the Light Armored Vehicle (LAV) have an average age of 33 years and our M1A1 tanks have an average age of 26 years. The Marine Corps is grateful for Congress' support of our wartime acquisition and reset efforts of the MRAP, HMMWV, and the contracting of the Joint Light Tactical Vehicle (JLTV). In summary, the increasingly lean budgets of fiscal year 2016 and fiscal year 2017 will provide increased readiness challenges and cause shortfalls in key areas. This reality will force tradeoffs.

CONCLUSION

"One fact is etched with clarity; the Marine Corps, because of its readiness to fight, will have a vital role in any future war."² *Senator Mike Mansfield*

Marines will continue to meet the high standards the American people have set for us. As responsible stewards of the Nation's resources, the Marine Corps remains committed to its auditability in order to provide the best Marine Corps the Nation can afford. We will therefore continue to produce highly trained Marines, formed into combat-ready forces, and provide the capabilities the Joint Force requires. The wisdom of the 82nd Congress as reaffirmed by the 114th Congress remains valid today—the vital need of a strong force-in-readiness. Marines are honored to serve in this role.

Marines are innovators and the history of the Marine Corps is replete with examples of innovation out of necessity. With the continued support of Congress, the Marine Corps will maintain ready forces today and modernize to generate readiness in the future because when the Nation calls, Marines answer and advance to contact.

Senator COCHRAN. Thank you very much, General.

We now call on Senator Durbin, the Senator from Illinois for any questions he may have of the panel.

Senator DURBIN. Thanks very much, Mr. Chairman.

And thanks to all of you, again.

General, the first conversation or the one we had recently was a sad conversation because you were recounting the loss of 12 Marines in a helicopter incident off the coast of Hawaii. And we talked

²Hon. Mansfield. Fixing the Personnel Strength of the United States Marine Corps, Adding the Commandant of the Marine Corps as a Member of the Joint Chiefs of Staff. 82nd Congress, 1st Session, House of Representatives, HR 82-666, 30 June 1951.

about it at some length and it left, had a lasting impression on me because it appeared that this was, sadly, not an isolated situation.

And so I've tried to look into it a little more and to understand it a little more and to really understand what the subcommittee's responsibility is when it comes to a tragedy like this.

And so I'd like to say a few things and then ask you and the Secretary, if he'd like, to comment on them.

Twelve Marines were lost on January 14th when two Marine CH-53E helicopters collided off the coast of Hawaii. A little research tells me that those were training missions and that half the crew on each of those aircraft were well seasoned, veterans, instructors and the other half, of course, learning in the process. It was an experiment or I should say, a mission at night and might have involved night vision equipment.

There was some relief of command before that incident, several days before, but I don't want to dwell on that particular issue. I'll leave that to you as to whether it's significant.

The reason I raise this issue now is that it turns out this was not an isolated incident.

Last September a similar helicopter crash at Camp Lejeune killed one Marine and injured another. Between May of 2014 and that accident in September of last year, 18 Marines were killed in 13 separate incidents. Aviation deaths in the U.S. Marine Corps, fixed wing, helicopters and Ospreys, have reached a 5-year high.

Now there have been analyses of these. I'm welcoming yours. One of them was from a Retired Commander, Chris Harmer, who was quoted in the Marine Times.

And when he was asked he said that, "Maintenance flight hours and the effect on overall safety are concerns often cited by military leaders in the face of deep budget cuts by Congress. Reduced flight time leads to increased deaths from helicopter crashes."

He said if you lose currency it's extremely difficult to regain it. And he noted there was a 30 percent cut in O and M in the military between 2012 and 2016.

AVIATION READINESS

The reason I want to bring this home is because this is a trend which I know you are dedicated to stopping in terms of the incidents that have occurred. But I want to find out what we are doing. When we talk about increasing procurement and such, I'm all for that, but if our budget is not designed to prepare for readiness to protect the lives of the Marines, the Sailors and others, then we are falling far short of our responsibility.

This incident brought it to mind and I invite your response.

General NELLER. Well Senator, I appreciate the comment. And we did share our discussion about the tragic event and the loss of these 12 Marines and we still mourn their loss.

Just an update, the Air Mishap Board is still trying to recover all the pieces of the plane and more importantly, all the remains because of the weather and the depth. They were at a certain depth where we have to use robotics. And they're on the North Shore Hawaii which is, this time of year, is big waves and swells. And so there's a salvage ship there and then challenged to be able

to get out there and do their business. But we'll stay out until we can get to the bottom of what happened.

In general, across the Marine Corps aviation enterprise we have challenges. Every type model series is a little bit different. I would say the CH-53 community is probably, right now, the most challenged because of a variety of reasons, available aircrafts, uncertain maintenance issues that go back to a Navy MH-53 accident 3 years ago this past January.

So it's a maintenance issue. And when you don't have enough airplanes to fly then your flight hours go down and it becomes difficult to maintain your currency.

So in this case it's a parts and repair issue.

We're also in the middle of recapitalizing or changing out every type model series that we have in our aircraft. The 53 will be the last. It will be replaced by the CH-53K which is in our test and development right now. There's two prototypes that have flown over 25 hours.

But that airplane, by the time, assuming it all goes on track, we won't start to see that for several years.

So right now we've got to rebuild the readiness of the 53 fleet. That's partly getting better parts support, getting these aircraft back in the depot, the reset that we might have done after 15 years of war. We probably kept them in the theater a little bit too long.

But each of these type model series has a different story. Fixed wing aviation is, kind of, at the bottom of where it is.

Last week the Chief of Naval Operations(CNO) and I went to the Fleet Readiness Center out in San Diego and they're increasing their output because they have the funding, we have stability. Part of that process was interrupted by sequestration and government shut down and the workforce got disrupted. And they've improved their process.

So there's a whole series of things that go into this. And we have a plan and we believe we have sufficient funding to do that. It's just not going to happen overnight.

So a combination of fielding new aircraft, more rapid procurement, getting the depots to get more throughput, increasing our parts support, then we get more ready basic aircraft on the flight line and we increase our hours.

Senator DURBIN. I'm going to yield because my time is up. But what I'm looking—and I'll follow up with you and the Secretary.

I want to make sure that as we look at the next year's budget that we are digging ourselves out of this hole. It is a hole created by budget cuts by this Congress which has, obviously, endangered the lives of men and women who are serving our Nation. We don't want that to occur. So I'll be in touch with you as we follow through.

Senator COCHRAN. Thank you, Senator.

Senator Collins, the Senator from Maine, is recognized.

Senator COLLINS. Thank you very much, Mr. Chairman.

Mr. Secretary, let me begin by thanking you for your extraordinary service. I'm aware that you are the longest serving Naval Secretary, I believe, since World War I and that is, bespeaks of your commitment to your country and to the Department of the

Navy and its personnel. And I just want to begin by thanking you for that and recognizing that record.

I believe that your record of bolstering our Naval Fleet will be one of your greatest legacies. Congress supported your efforts to reverse the decline in shipbuilding. And Senator Cochran and Senator Durbin have been absolutely instrumental in providing leadership in that area.

Last year the Senate Arms Services Committee and the Defense Authorization bill authorized an additional DDG-51 destroyer and this Committee appropriated a billion dollars which is about two-thirds of its cost to try to help bridge the gap between what our combatant commanders say that we need and what we have.

I was looking at a map of where our ships are deployed today in light of your wonderful quote from George Washington. And the fact is they're everywhere. And as you said there is no substitute for presence in our ability to project power.

DDG-51 SHIPBUILDING

Senator King and I sent a letter a few weeks ago urging the Navy to include the balance of the funding for the third DDG-51 on the Navy's unfunded priorities list because the ship is needed to fulfill Naval missions.

So I recognize that it's not the remaining one-third of funding is not in the President's budget but could you please describe how you would prioritize the need for this ship, its importance to the fleet and your plans for getting it under contract?

Mr. MABUS. Well first Senator, thank you and thank the Committee for all the courtesies you all have shown to me. Appearing before a Committee chaired by my fellow Mississippian, who I admire greatly, has been one of the true pleasures of this job.

And thank you for the authorization and particularly for the appropriation, the incremental funding, of this additional DDG-51. The DDG-51, as you know, is one of the backbones of our fleet, brings amazing capability, particularly the ones we're building now. And there is a mechanical reason why the rest of the funding was not in the President's budget and that is that the 2016 budget got passed by Congress after our budget locked at the Pentagon.

It is on our unfunded priorities list, the remaining funds, about 400, a little over \$400 million is on our unfunded priorities list. We think this is one of the very top priorities, so you know and I do. And we look forward to working with you to figure out how to get this money so that we can get the ship under contract in, it's a 2016 ship and not a future ship.

SOUTH CHINA SEA

Senator COLLINS. Thank you very much.

Admiral Richardson, I've been very concerned about the build-up of the Chinese Navy. This is a real issue that concerns me as China has been more and more aggressive.

A recent study by the Center for Strategic and International Studies found that by the year 2030 the South China Sea will, they describe it as becoming virtually a Chinese lake as China builds a modern and regionally powerful Navy.

Are you concerned that China will be able to challenge our ability to achieve and maintain control of blue water ocean areas including the Asia Pacific region?

Admiral RICHARDSON. Senator, thank you for that question and thank you for your support and the support of everybody in Maine to build and maintain our ships in both Bath and the Portsmouth Naval shipyard there. It's absolutely fantastic.

Senator COLLINS. Thank you for visiting.

Admiral RICHARDSON. Yes, ma'am.

And that, you know, that effort relates directly to our ability to counter these sorts of activities by the Chinese in the South China Sea. And it is undeniable now that they have moved towards militarization of some of those outposts with the installment of radars, aircraft, you know, and surface to air missiles.

The President on down has maintained our commitment that we will keep those maritime lanes open. And we have, we continue to advocate and endorse for that system of rules and norms of behavior that have allowed us to prosper in the last 70 years and indeed have allowed everybody in that region to prosper. It's an ordered system but it's open architecture where everybody can participate.

And we will, you know, I work very closely with Admiral Harris and Admiral Swift, our commanders in the Pacific, to make sure that they have all of the options that they need to counter that, that our decision makers have all of the options that they need to make sure that we can continue to sail, fly and operate everywhere that international law allows.

As you pointed out, ma'am, an incredibly important part of the world, about 30 percent of the world's trade goes through the South China Sea. We absolutely need to maintain those sea lanes open.

Senator COLLINS. Thank you.

Thank you, Mr. Chairman.

OHIO-CLASS REPLACEMENT

Senator COCHRAN. Thank you, Senator.

I now recognize the Senator from Rhode Island, Mr. Reed.

Senator REED. Thank you very much, Mr. Chairman.

Gentlemen, thank you for your service to the Nation and to the Navy and to the Marine Corps.

And Mr. Secretary, your top priority, as I've heard you and Admiral Richardson talk about, is the *Ohio*-class replacement ballistic missile submarine. And you point out in your testimony, Mr. Secretary, that back in the 50s when we were beginning to deploy our strategic deterrence the 41 for freedom slogan was used and there was relief from the top line, basically, so that you could carry out this national objective, not just a Navy program, but a national deterrence program.

A complement to that is what we've tried to do here in the Congress with the creation of the National Sea-Based Deterrence Fund which would help direct DOD resources in the construction of the *Ohio*-class submarine.

Could you give us an idea of one, the need and also how you would use these funds?

Mr. MABUS. Thank you, Senator.

The need is very clear. And we've been testifying about that. I've had the privilege of serving with three great chiefs of Naval operations. And all of us said that when the *Ohio*-class replacement begins to be built, which it will be in 2021, you know, that we have to have some relief on that because otherwise other Navy programs would just be gutted including attack submarines which and we've got to have these others.

And as you pointed out it's a national mission.

And we are deeply appreciative of the establishment of the National Sea-Based Deterrence Fund. That fund has all the authorities that we would need to use those funds for the *Ohio*-class replacement and not only 41 for freedom added money, but also the *Ohio* class, you know, when it was being built in the late 70s through the early 90s, added money there as well.

And so we would have everything we would need to fund these submarines. And as you know, the first one, which starts in 2021, we, Navy, has funded all the engineering, all the research and development, everything coming up to that. And we're funding about a billion and a half in 2021. OMB put in another \$2.3 billion in order to incrementally fund that first boat.

But 2022, 2023 and then we will have 12 of these boats over the next 15 years. And finding that national source of funding and the appropriate mechanism, I think, is one of the most important things that we and you will do together.

Senator REED. I would.

It also strikes me as this would be the model that would be used as the other services, principally the Air Force, replaces their penetrating bomber and also the ground based missile systems as we have to, basically, reinvigorate our entire triad. And Navy is first because this submarine is ready to go but succeeding that will be, I think, the same issue when it comes to the Department of the Air Force, particularly.

So I think this is something that as a long term program that we have to support. I hope we do.

One of the things that you've been able to do in the submarine program and I give you a great deal of credit, you and Admiral Richardson have processed this particularly is make them probably the best value, if you will, in the shipbuilding program. I'm somewhat parochial about this, but in terms of ahead of schedule, below budget on each succeeding ship, techniques that are learned and are being applied.

And just briefly can you comment, Admiral Richardson, about how this is going to help, indeed control, we hope, the cost of the *Ohio* and make it not only the best system in the world, but the most affordable system?

OHIO-CLASS REPLACEMENT

Admiral RICHARDSON. Yes, Sir, happy to do that.

Just as with *Virginia*, the first step in getting the *Ohio* Replacement Program disciplined and under control is making sure that we've got the requirements strictly defined and that those are a fixed thing. And we are there.

We've spent a lot of time, particularly this past year in not only making sure that we understand the requirements, but also the ca-

capacity of the industrial base. And so, you know, I want to bring you, the Congress, a program that has all the elements in place for, essentially, a block buy of that entire class. Now whether we decide to do it that way or not, is one thing, but in terms of the technical risk, the industrial stability and the strategic environment, all of those elements I want to have in place.

What has enabled us to get to that level of success in the *Virginia* program is one, that block buy strategy. And that allows the industrial base to have the confidence that we are there for the long term. They can make the capital investments and streamline their production program so that they can wring out every measure of efficiency and get on that learning curve and drive costs down in every way.

That shipbuilding team is remarkable. It is a partnership between the government and them in terms of driving that cost down. You just have to visit the facility in Quonset to hear them talk about how they're driving costs out of the submarine at every step of the way.

We're going to leverage all of those lessons as we start the *Ohio* Replacement Program. And we'll make sure that that ship delivers on the projected cost and is suitable for the foreseeable future.

Senator REED. Thank you.

I think a very core concept point is in Rhode Island. I recall.

Admiral RICHARDSON. Sir, I don't think you've got that geography right.

Senator COCHRAN. Senator's time has expired.

The distinguished Senator from South Carolina, Mr. Graham.

MILITARY READINESS

Senator GRAHAM. Thank you, Mr. Chairman.

I want to put a plug in for the Portsmouth Naval shipyard.

I went there. It's awesome.

Senator COLLINS. Thank you.

Senator GRAHAM. You're welcome, well-earned compliment.

Secretary Mabus, thank you for years of service. It's been quite a ride for you. I really appreciate for what you've done for the country.

Admiral, have you ever seen more threats to the homeland than today, since you've been in the military?

Admiral RICHARDSON. You'd have to go back to the Cold War and the Soviet Union, sir, to see anything that compares today.

Senator GRAHAM. Okay.

What about you, General?

General NELLER. No. I'd say this is the most unstable security environment I've observed.

Senator GRAHAM. In the last 5 years has the optempo of the Marine Corps been high?

General NELLER. Yes, sir.

Senator GRAHAM. Has the budget been cut?

General NELLER. It has.

Senator GRAHAM. Have we put people at risk by doing that?

General NELLER. The four deployed forces, I'm confident, are prepared to do their mission. But if we had to go further into the

bench those that are getting ready or that have just come back, there would be risk.

Senator GRAHAM. What about those who are training back here at home?

General NELLER. The ones that are getting ready to go, Senator, I'm confident that they're able to get ready. But there is some reduction in their ability when we're still working on some of the gear and some of the modernization.

Senator GRAHAM. Here's what you said about aviation readiness. It's really my number one concern. You said this yesterday.

"We don't have enough airplanes that we would call ready basic aircraft. That means we're not getting enough flight hours."

Is that accurate?

General NELLER. Yes, sir.

Senator GRAHAM. Don't you think that's putting people at risk?

General NELLER. If those forces had to deploy they would be at risk, yes.

Senator GRAHAM. Even for training?

General NELLER. Part of the getting ready is the training. So we have a challenge.

Senator GRAHAM. You're in a dangerous business even in peacetime.

General NELLER. It's always a dangerous business, especially flying our—

Senator GRAHAM. I hope that Committee understands that.

And I want to complement the Chairman and the Vice Chairman. You're trying to help. But we really are putting people's lives at risk, I think. That's just my personal opinion.

Admiral, when it comes to the Navy, what's the optimum number of ships that we should have given the threats we face?

Admiral RICHARDSON. So I'll tell you that the force structure assessment, our current best estimate of that is 308 ships. And we're going to reach that by fiscal year 2021.

Senator GRAHAM. No, what's the optimum number?

Admiral RICHARDSON. Senator, I'll tell you that that analysis is from 2012, before we did—when we did that analysis Russia had not started to—

Senator GRAHAM. Has that number changed?

Admiral RICHARDSON. Pardon me, sir?

Senator GRAHAM. Has that number changed based on what China and Russia has done?

MILITARY READINESS

Admiral RICHARDSON. We've commissioned another assessment of the force structures.

Senator GRAHAM. When will we know about this?

Admiral RICHARDSON. It will be done this year. So we're stepping on the gas to get through this. And you know, given that—

Senator GRAHAM. Your best guess is that the assessment will say we need more ships, don't you think?

Admiral RICHARDSON. Yes, sir.

Senator GRAHAM. Okay.

Mr. Secretary, you said we're going to go to—318 by 2021. Is that correct?

Mr. MABUS. No, 308, Senator.

Senator GRAHAM. I'm sorry, 308.

Mr. MABUS. Yes.

Senator GRAHAM. By 2021?

Mr. MABUS. Yes.

Senator GRAHAM. What if sequestration goes back in effect? Is that still the same?

Mr. MABUS. If sequestration goes—well, we will get to 308 ships by 2021. They're still under the ships we have under contract today, the ships that have been authorized and appropriated.

Senator GRAHAM. But if—

Mr. MABUS. Now what we're talking about, I'm sorry, what we're talking about is what the fleet looks like past that.

Senator GRAHAM. But what I'm talking about is sequestration goes back into effect you're still going to build the ships to 308, right?

Mr. MABUS. We will still build the ships to 308 but the fleet, past that, would decline precipitously.

Senator GRAHAM. So what gives?

If sequestration goes back into effect somethings got to give.

Mr. MABUS. Oh, every program gives. And even the shipbuilding programs that the ships are under contract would be at risk.

Senator GRAHAM. So the ships are at risk and those who man the ships would be at risk.

Mr. MABUS. I think sequestration puts every program at risk. It puts everything we do at risk.

Senator GRAHAM. Does the Marines? Do you agree with that? That if we go back to sequestration you're going to make it very difficult for the Marine Corps?

General NELLER. I do, Senator.

Senator GRAHAM. For the Navy?

Admiral RICHARDSON. Senator, I'll tell you the first thing that will go is that bench, the readiness. Those are the accounts they get.

Senator GRAHAM. As the threats go up our readiness and our bench goes down.

Admiral RICHARDSON. It's not a good trend.

Senator GRAHAM. Okay.

If you captured somebody tomorrow in the Marine Corps who is a high value target in the war on terror? What would you do with them, General?

General NELLER. Well right now based on their status as a combatant, if they were a non-combatant or they—

Senator GRAHAM. No, a high level, ISIL person, enemy combatant. What would you do with them?

General NELLER. It would be a policy decision. But we'd have to have someplace to detain him. We'd have to have somewhere—

Senator GRAHAM. Do you know where that place is?

General NELLER. Right now it's Guantanamo.

Senator GRAHAM. Okay.

Can you use Guantanamo?

General NELLER. Sir, I don't know the answer to that.

Senator GRAHAM. I do. The answer is no.

Admiral, what would the Navy do?

Admiral RICHARDSON. It would be in the same position, sir.

Senator GRAHAM. So you really don't have a plan?

Admiral RICHARDSON. From my perspective—

Senator GRAHAM. Could you use Guantanamo Bay?

Admiral RICHARDSON. Sir, you made it clear that the answer to that is no.

Senator GRAHAM. Okay. Thank you both.

Thank you all for your service.

Senator COCHRAN. Thank you, Senator.

The distinguished Senator from Montana, Mr. Daines.

Senator DAINES. Thank you, Mr. Chairman.

To follow up on Senator Graham's comments, by the way, on Guantanamo. I was there Monday.

Two things.

Very, very proud of the men and women delivering that mission in Guantanamo Bay.

And number two, there's plenty of vacancies available down there that we should be putting these enemy combatants there and holding them in a very secure and honorable way.

Secretary Mabus, Admiral Richardson and General Neller, thank you. I welcome you here today and thank you for your service.

The Navy and Marine Corps have long been the calling for many in Montana including my dad, who was with the 58th Marine Corps Rifle Company from 1957 to 1962. They say you don't get to pick your daddy. I'm very proud of the one I have.

Today Montana is home to Marine and Navy personnel. In fact, there's a Marine Reserve Unit located just about two hours from my hometown of Bozeman. They were activated for Operation Iraqi Freedom and most recently deployed on a security operation in the Ukraine.

This Montana Marine Corps Reserve Unit represents the key and versatile role you all play as we witness the growing threats abroad. With the Marine Corps leading the special operations fight against the Islamic State in Operation Inherent Resolve and the Navy fueling our pivot to the Asian Pacific theater, I'm pleased to have you both represented here today.

In an effort to save time I'll submit many of my questions for the record.

But I want to ask you about the threat of terrorism in two places because I'm concerned we may not be paying enough attention to it.

One is Southeast Asia where I spent 5 years professionally back in the 90s as well as right here at home.

For General Neller, last year you told your Marines that they would need to prepare for a new and different forms of warfare. Following the attacks in Chattanooga we witnessed just how vulnerable our service members are right here at home and how real the new form of warfare really is. Terrorism is a serious threat, not only for our military overseas that are in the fight but it can strike anywhere, anytime, of course, here in the homeland as well.

In Montana I was alarmed by the security for our Marine Corps Reserve Unit. There was not even a fence protecting them.

We're requesting \$426 million this year for military construction. What steps is the Marine Corps taking to enhance security for

units assigned in local communities versus our military installations?

SECURITY FOR RESERVE CENTERS AND RECRUITING FACILITIES

General NELLER. Well Senator, thanks for the question.

On the reserve side we've got about 161 reserve centers, I and Is, around the country. The majority of them have weapons. And so when they're drilling or when there are Marines present we have an active cadre there. There is somebody there who is armed as long as that's in compliance with the local law.

The recruiters, we've gone through an increased training. The recruiters in Chattanooga managed to get out. I think one was wounded but because they were trained and they executed their plan, they were able to safely egress the recruiting center.

But there are things we need to do. A lot of it's force protection, bullet proof the windows, harden the doors, reinforce the training, do a better job of passing information using just simple cell phone technology, kind of an Amber Alert thing. So all that's in training but there's a money thing.

And our bill, we estimate for recruiting centers is about \$44 million. And so we're—it's going to take us some time to get to that. But that's where we are and I think, I'm confident on our bases and stations that we have.

They're hiring more law enforcement personnel and have re-instituted additional training as far as if someone were to get aboard the base that were unauthorized to be bearing a firearm.

Senator DAINES. Thank you, General.

Last week I had the opportunity to question the Army about their operations in the Asia Pacific theater and the concerns of terrorism in the region. General Milley listed it as number three after the rise of China and the instability of North Korea.

Given that the Asia Pacific is historically and currently more your area of operation, I'd like to get your perspective.

The joint task force made up of the Army, Navy and Marine personnel began to withdraw in 2014. But this year those same terrorist organizations joined together and pledged allegiance to the Islamic State. We witnessed the Islamic State strike last month in Indonesia, there in Jakarta. Their presence in the Asia Pacific is just as clear as it is throughout the Middle East.

For Secretary Mabus, you're requesting \$13 billion for the Department of Navy in the Asia Pacific theater this year. How much did terrorism in the region play a role in establishing that amount?

Mr. MABUS. I can't break out that amount for you, Senator, because when we request funds for sending our ships, for sending our special forces, for sending Marines to an area we do it as a multi-mission, multi-task thing.

Our Sailors, our Marines, our ships, those, as you pointed out, onshore, on special task forces, have to be ready for whatever comes over the horizon. And we certainly recognize in places like you talked about where, and I've been to visit that special task force, the rise of extremism and the fueling of extremism and the transit of fighters into other regions and Asia Pacific is not alone in that.

We are also having to deal with that in Africa. We're having to deal with it around the world. And it's one of the things that we are, particularly with our special forces and our Marines on the ground, are training to and our deploying ships have to be aware of.

Senator DAINES. Alright. Thank you, Mr. Secretary.

Senator COCHRAN. Thank you, Senator.

Next Senator I recognize is the distinguished Senator from Hawaii, Mr. Schatz.

Senator SCHATZ. Thank you, Mr. Chairman.

Secretary Mabus, Admiral Richardson, General Neller, I appreciate you being here.

General Neller, it's good to see you again.

I'd like to start by discussing our plan for Guam.

The decision to move Marines was made nearly 20 years ago, as you know, in part to support the United States/Japan alliance and to specifically address the concerns of the people of Okinawa. We've had several iterations of this plan as the Department of Defense has cut costs and right sized the number of Marines to move to Guam. But today we are 6 to 9 months behind constructing the Futenma Replacement Facility and at least 2 years behind building up Guam to support Marines and their families. And there is a shortage of amphibious lift in the theater, as you know.

With all of these challenges, Admiral Harris recently testified that 2025 is probably a more realistic timeframe for moving Marines to Guam. And so, I think it's appropriate that you're thinking about our plan evolve as the security, political and fiscal environment continue to evolve.

And so my question for you is how much flexibility do you have? How nimble are you?

I'm concerned that we're locked into a plan that may not make any sense anymore logistically.

I understand ironclad bilateral relationship with Japan and the commitment that our country made. And I also understand the fiscal commitment that the Japanese Government has made. But I'm wondering how much flexibility we have to respond to circumstances?

FUTENMA REPLACEMENT FACILITY

General NELLER. Well Senator, as you stated the whole move and the realignment of forces and the approved implantation plan was tied to the Futenma Replacement Facility and that's delayed, partly due to demonstrators and lack of support by the Governor of Okinawa. So, but now that's been dealing to the movement to Guam.

So there's still some environmental issues as far as training on Tinian but we're still committed to move to Guam. We're taking a look and we believe we have some flexibility as to how those forces go there. Are they PCS or do they resend unit rotation?

We do have concerns about our ability to train once we get there. And more importantly and this goes for anywhere that we go in the Pacific because of the distances, we have concerns about the strategic mobility and our ability to move and to go to other areas for training.

So in short, we continue to look at this and adjust on the margins. But there's a political decision that says the number of Marines are going to be reduced on the Island of Okinawa. And so we're still committed to support that and do our part to make that happen.

And as we align the force and we look at Australia, the Philippines recently approved a little more flexible opportunities for us to train there and do things. So we're continuing to look at it but we are behind and I would concur with Admiral Harris' assessment that this thing just continues to be pushed to the right.

Senator SCHATZ. Can you flush out the problem of strategic lift in the region specifically, the Guam aspect of this?

General NELLER. Right now there's four amphibious ships that are home ported in Sasebo as part of our deployed Naval force. They support primarily the 31st MEU which is underway right now and headed to Korea for an exercise along with the 13th MEU off the West Coast.

So that's primary there. That's their primary mission. So as we move the force around whether it be Guam, Australia, the Philippines, we've got to be able to move them.

So as we realign the fleet and the more the fleet goes to the Pacific, that will be mitigated to some degree because there should be more amphibious ships out there.

There are other options of, you know, fleet packaging whether we use different ships, more commercial type hulls, like MPF ships that are Afloat Forward Staging Bases or high speed vessels, or even strategic airlift. We have got to be able to move off these islands. Guam is, there are some things you can do on Guam but you still have to be able to get to Tinian. And even though it's a fairly short distance so you either have to go by ship or by plane.

So that's always been the challenge in the Pacific is your strategic mobility and as we move the force around it makes it a little more challenging.

Senator SCHATZ. Thank you.

And I'll submit a couple of questions for the record about the need for additional submarine support and also our need to reconsider what we're doing with our under sea tactical training ranges, especially at the Pacific missile range facility area, Barking Sands on the Island of Kuwai.

Thank you, Mr. Chairman.

Senator COCHRAN. Thank you, Senator.

The distinguished Senator from Missouri, Senator Blunt.

Senator BLUNT. Thank you. Thank you, Chairman.

Admiral Richardson, I want to talk a little bit about aircrafts. I know that your predecessor had real concerns about how we were managing our tactical aviation shortfall. I think Secretary Carter has also expressed some concerns, Secretary Mabus, to you about that topic. And I'm sure others as well but I did notice that one.

And I saw—I'm grateful that the Navy has added two Super Hornets in fiscal year 2017 and 2014 and 2018. So I mean that that would happen in 2018. It's also added money to try to extend the lifetime of that fleet too, from 6,000 hours to 9,000 hours.

One, your sense of whether extending the life is what is the best thing to do here.

And another, how many Super Hornets do you think the Navy needs to support the fleet?

And how many do you have?

Admiral RICHARDSON. Senator, I'll get back to you with the exact numbers, let you know the total buy for aircraft.

[The information follows:]

The funded F/A-18E/F procurement objective is 568 aircraft; 562 of which have been delivered. However, the Navy's Super Hornet fleet does not have enough service life remaining to meet operational requirements into the 2030s as planned. Therefore, the F/A-18E/F service life extension program is a vital mitigation step, and frankly a good business decision, to reduce risk in the Navy's Strike Fighter Inventory Management strategy.

To alleviate overutilization challenges with the existing Super Hornet fleet and decrease risk in the F/A-18E/F service life extension plan, the Navy requires an additional two to three operational squadrons of F/A-18E/F aircraft. The aircraft authorized and appropriated in fiscal year 2016 combined with those included in President's Budget 2017 begin to narrow the gap between inventory capacity and demand. The Navy continues to evaluate all available options to meet the total requirement necessary to achieve a sustainable service life extension program and support the current force structure.

STRIKE FIGHTER INVENTORY

Admiral RICHARDSON. Yet right now we're in the position where I'll just address the Strike Fighter inventory problem, a writ large, if you will. And it's really, kind of, a three vector approach that we are using to reconstitute our Strike Fighter inventory and increase the number of ready basic aircraft.

One is that we were recovering from the depot backlog of the Legacy Hornets. And so, you know, that backlog came about for a number of reasons.

One, we discovered some maintenance areas on the aircraft that we didn't expect. And so we had a bigger job on our hands.

And then the impact of sequestration, hiring freezes, those sorts of things, also slowed that down.

But we are, right now, hiring artisans to improve the throughput of our depots.

We've also brought on some private sector help in Boeing and L3 to help us increase the throughput. And the 2017 budget funds that aviation depot at pretty much the maximum capacity that they can put things through.

So part of our program is to get those aircraft through their depot period.

Because those aircraft are backed up, the Legacy Hornets, we've been flying the Super Hornet more to maintain the readiness of our pilots. And so those aircraft are getting the end of life faster. And so, as you pointed out, we've got a request in both 2017 and 2018 to buy some Super Hornets to make up for those losses and that increased use of that aircraft.

The buy in 2017, we expect, could be supplemented by some foreign sales as well. And if not, you know, just below the cut line on our unfunded list would be a buy to keep that——

Senator BLUNT. That line open.

Admiral RICHARDSON. That line open, yes, sir.

Senator BLUNT. Let me ask another question here.

Do you still believe, as your predecessor did, that the Growler, which is that same airplane differently equipped, is likely to be a

long term part of any flying package because of its disruptive capabilities?

Admiral RICHARDSON. Absolutely. It's part of getting our aircraft into the fifth generation of warfare.

Senator BLUNT. I have one final question. I might have a couple more for the record. But I have one final question for both General Neller and the Admiral, Admiral Richardson.

So Senator Gillibrand and I introduced some legislation last year called the Military Families Stability Act which would just provide more flexibility for families who need to move early or stay a little bit later for work or educational reasons.

MILITARY FAMILIES STABILITY ACT

I know that both of you, as many other people will argue forever, that the strength of the military is the families of the military. And as more families have, more spouses have, professional obligations what happens to them also matters, I think, as to whether or not people stay in the military, whether people could, whether you could move your kids a month earlier or keep them in a school a month later while the serviceperson, first of all, would look at any available single Sailor ability on the new post.

And I just wonder if either of you have either a personal sense of when this might have made a big difference in your career or how you feel about looking at families and the professional spouse different and a working spouse, different than perhaps we were, we did, in the past.

General.

General NELLER. Senator, I think we all recognize that the situation we have with our families is different than what it was 10 or 15 years ago. And that the spouse may have a career. And so we try our very, very best to work with every service member, every Marine, to ensure that we take that into account.

There are some difficulties with that, particularly if they're living on base housing. Living out in town they have a lot more flexibility.

And we also are looking at that, do we really need to move people to the degree and to the rate that we move them because it costs us money. That said, there's an advantage to having Marines go and see different parts of the Marine Corps as opposed to staying in one single, geographical area.

So there's a balance there. But I can tell you we are very conscious of working with every Marine and their families and try to do what's right by them because we want them to stay. And so we continue to work on that.

And as part of my discussion with our staff is that, you know, we don't need to move people just to move people. And if there's a way to keep people in a certain location longer that's going to be more cost effective and beneficial to the family than we certainly need to take a look at that.

Senator BLUNT. Admiral.

Admiral RICHARDSON. Sir, we've moved 21 times in our 33-year career, you know, with five kids and my wife is piling up the score for sainthood.

The family dynamic has changed. There's just a lot more working spouses than there were when we first got into this. That's just the facts of the matter.

I agree with General Neller's approach. We are taking, really, a comprehensive approach to this dynamic because, well, a move of any type is disruptive to a family. And if we can minimize the amount of moves and let people pursue their careers with fewer moves then that would be something that we'd be looking at very hard.

I very much appreciate your interest in making sure that we make that transition as smooth as possible and looking forward to working with you to get into the details of that and particularly addressing this new dynamic of working spouses.

Senator BLUNT. Alright.

Thank you, Chairman.

Senator COCHRAN. Thank you very much, Senator.

Let me ask you one question about shipbuilding, and that doesn't come as any surprise to know that is an interest of ours in Mississippi. We have some shipbuilders in the Gulf Coast area that are very important. And I know the Commandant has made comments about the possibilities of accelerating some contracts.

To what extent do you think we can do that within the constraints of the budget or whether that's a good strategy or not?

Mr. Secretary, I don't suppose you could?

Mr. MABUS. Senator, thanks to this Committee, thanks to Congress, we got the 12th LPD, LPD 28, which will be a bridge between the LPD line and the replacement for the LSD, the LRX.

Because we've made the decision to build it on the same hull form we think we can build these faster, cheaper and get them to the Marines faster because they need this additional amphibious shipping.

And so the quality of work that's coming out of Pascagoula and your neighbor in Mobile, the types of ships are the types that we desperately need. And included in this budget as well is a request for funding for the next big deck Amfil, LHA-8, which would also—our Marines and Navy is in high demand for amphibious ready group exercises and because it can take aircraft up through and including the F35.

Admiral RICHARDSON. Sir, if I could just add on to the Secretary's points.

You know, that is a magnificent capability down there at Ingalls. I had a chance to visit there. Those are also workers that are hungry to drive every bit of cost out of the program and are just magnificent. And the degree to which they've recovered from Katrina is astounding and in a tale of heroism and perseverance.

The only thing that I would say is that we've learned, sometimes the hard way, that it's absolutely critical to get the design of the ship complete before we start building. If we don't get that right then it's just going to impact the cost and schedule in ways that we don't want to see. And so we need to just make sure that as we think about accelerating these programs, we accelerate the design and that part of it so that we're ready to build with a complete design.

Senator COCHRAN. Thank you.

Senator BLUNT. Mr. Chairman.

Senator COCHRAN. The Senator from Missouri.

Senator BLUNT. With the time I have another question or two I'd like to follow up on on the issue of tactical aviation with Secretary Mabus.

I know that, I think, that Secretary Carter expressed in December of 2015 his concern on this topic. I would hope that if the foreign military sales don't develop the way we think they're going to that we can continue to watch that and do whatever is necessary to keep that line open, particularly since you anticipate 14 planes next year and if I understood Admiral Richardson right, we'll see that near the top of the list of unfunded priorities for this year.

And any other thoughts you might have about the Growler and how it becomes part of any flying package.

Mr. MABUS. Senator, the continuation of that line is one of the critical things for our tactical aviation inventory. The profile, as you noted, in the budget is two for fiscal year 2017 and 2014 for fiscal year 2018. As the CNO said that that profile presupposes some foreign sales to keep the line viable and going in 2017. If those foreign sales don't materialize then, I think, it would be imperative that we move some Super Hornets into, more Super Hornets into that.

And as CNO said, right at the top of our unfunded priorities list is an additional 14, not the 14 from the 2018 budget, but an additional 14 to 17 which would be a total of 16 going through there.

Finally, on the Growler, when we finish the current buy we will have 160 Growlers in 15 squadrons. That is sufficient to do the Navy's part of the electronic warfare.

But what we're in the process right now of doing is studying what the needs are of the joint force because the Navy is the only business in town now in electronic attack. And so that study will be done in the next few months in terms of are the 160 Growlers that we have procured enough to do all the electronic missions across the joint force?

Senator BLUNT. So just to verify that my math is right. If you had what you've asked for in 2017 and 2018 on the plane we're talking about and had the top, one of the top requests on the unfunded budget, you'd be looking at 30 planes over the next 2 years?

Mr. MABUS. That's correct.

Senator BLUNT. Thank you, Chairman.

ADDITIONAL COMMITTEE QUESTIONS

Senator COCHRAN. Thank you.

Thank you, Senator Blunt.

Thank you all for your cooperation with our Committee. We've had an excellent hearing. I appreciate very much the courtesies and hard work that goes into this review.

Until then, unless the Senator from Missouri has some comments.

Senator BLUNT. Thank you.

[The following questions were not asked at the hearing, but were submitted to the Department for response subsequent to the hearing:]

QUESTIONS SUBMITTED TO HON. RAY MABUS

QUESTION SUBMITTED BY SENATOR SUSAN M. COLLINS

WOMEN IN COMBAT

Question. Secretary of Defense Ash Carter recently announced that women will have the opportunity, if qualified, to compete for combat missions. Secretary Mabus, as I understand it, the Navy is well on its way to implementing this policy—women have already been driving ships and flying combat aircraft for more than 20 years. What is the timeline for fully integrating women into Department of the Navy combat units, particularly in the Marine Corps?

Answer. On March 9, 2016, Secretary Carter approved the final Implementation Plans for the Full Integration of Women in the Military including the Department of the Navy. Secretary Carter's approval enables the execution of both Service plans for integrating women into previously closed positions, occupations, specialties, and career fields beginning by April 1, 2016. The Marine Corps has already notified the 231 women who have successfully completed ground combat arms MOS training at formal learning centers they can switch to these previously closed jobs immediately if they choose to do so, and both the Navy and Marine Corps are beginning the process of recruiting women into all recently opened career fields. Full integration into combat units will occur over a period time based on the results of the just-beginning recruiting efforts and follow on MOS training.

QUESTIONS SUBMITTED BY SENATOR STEVE DAINES

ASIA

Question. Secretary Mabus, you mentioned visiting the Joint Special Operations Task Force—Philippines, in the Southern Archipelago region of the Philippines. Do you see our commitment to this mission and to the Filipino Army as a way to increase our presence in the region during the threat of a rising China?

Answer. Our train-and-assist support to the Armed Forces of the Philippines (AFP) was aimed at fighting terrorism, sharing information, and conducting joint civil military operations. While Joint Special Operations Task Force—Philippines (JSOTF-P) has been disestablished since my visit, our partnership with the Filipino security forces has been successful in drastically reducing the capabilities of domestic and transnational terrorist groups in the Philippines. We continue to maintain a Forward Liaison Element (FLE) as our partnership in this area evolves.

Question. Secretary Mabus, what other ways can the US partner with the Philippines to show our commitment as China continues to elevate tensions in the region?

Answer. The Department of the Navy is supportive of the Republic of the Philippines' efforts to improve its maritime domain awareness (MDA) and increase its capability of exercising sovereignty in the face of extreme maritime claims. To these ends, the Department of the Navy supports:

- Further Excess Defense Article (EDA) transfers of ex-U.S. Coast Guard high-endurance cutters (WHEC) to the Philippines to bolster their maritime security capabilities.
- Continued expansion and deepening of our exercise and training program with the Philippine Navy (PN) and Philippine Coast Guard (PCG), planned to exceed 150 activities each year, including: Maritime Patrol Aircraft (MPA) deployments each month, EOD/special forces training, and at-sea exercises (e.g., BALIKITAN) with the PN and PCG focused on improving their operational proficiency.
- Continuing to expand the Asia-Pacific Intelligence Information Network (APIIN), a secure information exchange network that facilitates information sharing on the South China Sea (SCS) and other issues, to afloat PN vessels in addition to the 21 existing shore stations.
- Enhancing PN's and PCG's Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance (C4ISR) program with technical assistance and Foreign Military Sales (FMS) support to enhance interoperability, improve operational security (OPSEC), and bring Armed Forces of the Philippines (AFP) command-and-control (C2) into the 21st century.
- Continued efforts to encourage greater information sharing and the establishment of a regional MDA network that could provide a common operating picture (COP) and real-time dissemination of data.

Question. Secretary Mabus, Naval Special Warfare Team One rotates with Special Forces Group One in leading the Joint Special Operations Task Force Philippines. However, Marine Special Operations Command has been involved in the deployment cycle. Now that MARSOC is fully operational and leading joint operations, like those against ISIL, What steps can be done, should the mission footprint increase, to give the Marine Corps an equal leadership role in this mission?

Answer. Marine Corps Special Operations Command (MARSOC) has led multiple Special Operations Task Force (SOTF) deployments in support of combat operations in Afghanistan, as well as a current Combined Joint Special Operations Task Force (CJSOTF) in support of operations within Central Command's area of operations. Due to the improving situation in the Philippines, Joint Special Operations Task Force-Philippines was deactivated in February 2015 and transitioned to a smaller foreign liaison element. Since then, MARSOC has regularly deployed 14-man teams to the region on a rotational basis, to continue to assist and advise the Armed Forces of the Philippines.

The DON, in partnership with USSOCOM, continues to grow, develop, and integrate Marine Corps' leaders, officers and enlisted, to fill vital positions across the special operations enterprise. These include key leadership billets at Special Operations Command, Pacific; Special Operations Command, Africa Command; and one to be assigned at Special Operations Command, Central Command in the summer of 2016.

Ultimately, MARSOC is a force provider to the Theater Special Operations Commands, who determine how to best organize and employ the task forces allocated to them. Should their footprint increase in the Philippines, MARSOC will serve an integral role.

Question. Secretary Mabus, On March 9th the US Navy conducted another freedom of navigation patrol through the South China Sea, something incredibly important to the security in the region. However, this time Chinese ships trailed the US ships and it is clear tensions are escalating. What line of communications are open between US and Chinese commanders during these operations?

Answer. Our primary means to communicate at sea is bridge-to-bridge radio, or International Air Distress/Military Air Distress radio for aircraft.

People's Liberation Army (PLA) Navy ships routinely shadow and, and at times, actively try to interfere with U.S. naval ships and aircraft conducting legal military operations IAW international law.

On March 9th, the oceanographic survey ship USNS HENSON (T-AGS 63) was conducting routine operations in the SCS. This was not a Freedom of Navigation mission. In this instance, USNS HENSON was operating in international waters in the vicinity of the Paracel Islands when a PLA Navy vessel approached too close and created a potentially unsafe maneuvering situation. In this instance, a potentially dangerous situation was avoided because of the recent positive improvement in communications at sea and in the air between our units and theirs.

Through coordination by the various staffs of OSD, the Joint Staff, U.S. Pacific Command, U.S. Pacific Fleet, and OPNAV, we developed the multilateral Code for Unintended Encounters at Sea (CUES), the U.S.-People's Republic of China (PRC) agreement on the Rules of Behavior for Safety of Air and Maritime Encounters, a Crisis Communications Annex, the bi-lateral Military Maritime Consultative Agreement (MMCA) talks, and quarterly Defense Telephone Link (DTL) discussions with PLA Navy leadership. DOD is positioned to manage the friction in the relationship from the tactical level.

Question. Secretary Mabus, has the US used, or considered the use of, unmanned aerial surveillance of the South China Sea?

Answer. Yes, the Navy's MQ-8B Fire Scout is supporting a Pacific Fleet deployment with a combined detachment which includes an unmanned MQ-8B Fire Scout and a manned MH-60 helicopter on the USS FORT WORTH (LCS 3). The MQ-8B Fire Scout System delivers organic sea-based intelligence, surveillance, and reconnaissance (ISR) support for the Littoral Combat Ship (LCS) and/or any suitably equipped air-capable ship. The Navy plans to deploy a MQ-8B with an additional radar capability onboard the USS CORONADO (LCS 4) to the Pacific Fleet in July 2016. Furthermore, the Navy intends to deploy the MQ-4C Triton Unmanned Aircraft System (UAS) to the Pacific Fleet in 2018. The MQ-4C Triton will provide persistent broad area maritime ISR.

WEAPON MODERNIZATION

Question. Secretary Mabus, does it concern you that your Marines and Sailors on the battlefield are still using a 5.56 caliber, gas operated, and magazine fed weapon

system developed for the Vietnam War, while you are simultaneously outfitting ships with laser weapon systems?

Answer. The Department of the Navy continually works to ensure that every Marine and Sailor is provided with the best equipment that our budget and emerging technology will allow. The 5.56mm weapons carried by Marines and Sailors today are not the same as those carried during the Vietnam War. Although the original versions of many of our small arms systems entered our inventory up to 30 years ago, current versions are significantly modified and/or newly produced to provide enhanced target detection, identification, accuracy, dependability, and lethality.

The USMC Small Arms Modernization Strategy focuses on updating current weapons in the short-term and developing next generation weapons that will enter the fleet in the mid to late 2020s. In close coordination with the Army, this strategy is a cost-conscious, incremental approach to further improve accuracy, lethality, ergonomics, and weight reduction.

Question. Secretary Mabus, what steps are you taking to identify battlefield deficiencies and ensure funding for weapons development is equally spread between personal combat weapons and large scale weapon projects like the F-35?

Answer. Warfighting deficiencies, or gaps, are identified through a number of existing processes within the Department. These include the gap analysis phase of the Department of Defense (DOD) requirements generation process and warfighter feedback from the operating forces.

As to funding balance, the Navy and Marine Corps participate in the annual Planning, Programming, Budgeting, and Execution (PPBE) process. This is the process by which DOD allocates resources, while staying within the fiscal budget and complying with the Secretary of Defense's policies, strategy, and goals. Funding for all DON capabilities reflects the evaluated optimal balance between requirements and resources.

SPECIAL PURPOSE MARINE AIR GROUND TASK FORCE

Question. Secretary Mabus, would you rather deploy a MEU or a SPMAGTF in the CENTCOM AOR?

Answer. Afloat naval power retains the advantage of maneuver, and the Navy/Marine Corps team of an ARG/MEU provides operational flexibility and options to project force ashore that become more limited when operating from a fixed ashore location.

In an environment where amphibious lift is limited, the Marine Corps team is still able to build a task organized force, focused on capabilities required by a geographic Combatant Commander, and deploy credible combat capability. The underlying mission and risk analysis shape the composition of the SPMAGTF which can be tailored to the anticipated set of likely missions. SPMAGTF-CRs are not a one-for-one replacement of the ARG/MEU. They are not as capable as an ARG/MEU team but provide credible forces to respond to specific crises. SPMAGTF-CRs rely on host nation approvals for access, basing, overflight, launch, post-mission recovery, and sustainment training, making them less flexible than ARG/MEUs.

Both options provide a Marine Corps combat capability, organized and trained for success, and deployed forward to support a Combatant Commander.

QUESTIONS SUBMITTED TO ADMIRAL JOHN M. RICHARDSON

QUESTION SUBMITTED BY SENATOR SUSAN M. COLLINS

EUROPEAN REASSURANCE INITIATIVE

Question. Admiral Richardson, you have expressed concern about Russian challenges to U.S. and allied nations' partner activities in the Eastern Mediterranean Sea and the Black Sea.

At \$3.4 billion, the overall Department of Defense fiscal year 2017 budget request for the European Reassurance Initiative is four times the amount requested last year, but the Navy's portion of this increase is a relatively meager \$52 million increase for additional exercises and training.

Yet, Russian submarine and surface ship activity in the North Atlantic and the Black Sea during the Cold War represented a primary means by which Russia sought to hold U.S. and NATO strategic interests at risk.

Have you reviewed the Navy's posture in that region to make sure that we do not have any unintended shortfalls in understanding and responding to Russia's maritime activities? I know the Committee would be very interested in knowing if there were ways we could assist in this regard.

Answer. The global posture and presence of U.S. forces is constantly under review by key stakeholders including the Combatant Commanders, Service Chiefs, the Joint Staff and the Secretary of Defense. Russian maritime activities and capabilities show no signs of decreasing for the foreseeable future.

The Department of Navy's fiscal year 2017 European Reassurance Initiative (ERI) request is significantly greater than the fiscal year 2016 request. Specifically, the fiscal year 2017 ERI includes a request for \$2.5 million to improve all-source analysis and situational awareness across U.S. and allied Theater Anti-Submarine Warfare (TASW) systems, maintenance and training. In addition, \$21.4 million was requested to support two military construction projects to modify an existing aircraft hangar facility and construct an aircraft rinse rack in Keflavik, Iceland. These projects will accommodate P-8A maritime patrol and reconnaissance aircraft on short duration/expeditionary detachments.

The fiscal year 2017 request also includes support for exercise and training activities by forward deployed ships alongside allies and partners in the Mediterranean, Black and Baltic Seas. These exercises provide not only U.S. Navy presence, but also enhance allies and partners inherent capabilities and capacities. Beyond additional exercise activities, requested fiscal year 2017 ERI funds would sustain and upgrade U.S. and host nation information sharing/exchange, command and control capabilities and overall collaboration across operations.

Navy will continue to review our needs and identify additional requirements in theater as they arise in future budget cycles.

QUESTIONS SUBMITTED BY SENATOR BRIAN SCHATZ

Question. Our undersea- and anti-submarine warfare capabilities gives us an advantage over our adversaries.

I am concerned, however, about the state of the Navy's tactical test ranges that support the undersea warfare mission. Our competitors are closing the gap with us when it comes to undersea warfare and the age of our test ranges undermines our ability to stay ahead of them.

In particular, the Barking Sands Tactical Underwater Range off of Kauai is beyond its service life and beyond repair, and we need continuous focus and investment in this range to preserve our asymmetric capabilities.

What is the Navy's plan to replace and modernize this test range so that we can sustain our edge in undersea warfare?

Answer. The Navy has developed a plan to modernize the underwater instrumentation and shore-based equipment controls and displays of the Barking Sands Tactical Underwater Range, using lessons learned from the in-progress installation of the Undersea Warfare Training Range (USWTR) off the coast of Jacksonville, FL. The plan also includes use of more heavily armored seabed cables, routed through bore holes to prevent abrasion in the surf zone. However, due to fiscal constraints, this requirement is not funded in PB17 but will continue to be evaluated in future budget cycles.

Question. Admiral Harris recently testified that he does not have the attack submarines to meet his requirements in the Pacific.

I know you have to balance his requirements against those of the other Combatant Commanders.

However, we face unique threats from multiple near-peer competitors in the Pacific, so I am particularly concerned that we may not be maintaining our undersea edge, which is our advantage over adversaries in this part of the world.

What is the Navy doing to close this gap and meet Admiral Harris' requirements?

Are there other assets the Navy could use to close this gap and reduce our risk in the Pacific?

Answer. Navy sources both rotational and emergent Combatant Commander (CCDR) force requirements for attack submarines (SSN) as directed by the Secretary of Defense (SecDef).

CCDR demand for SSNs remains high and Navy is challenged with existing force structure to meet all SSN requirements. Navy will source approximately 55 percent of all CCDR demand for SSNs in fiscal year 2016.

The Optimized Fleet Response Plan (OFRP) is Navy's plan to recover readiness and improve availability across the SSN force. Stable funding, continued improvement in executing submarine depot maintenance, and sourcing presence at sustainable levels are critical to readiness recovery.

Navy is committed to sending our most technologically advanced ships and aircraft to the Asia-Pacific region. This includes our most capable DDGs, P-8A maritime patrol aircraft, and Virginia-class submarines. Other assets, such as

SURTASS, are also prioritized to the Pacific as part of Navy's Theater Anti-Submarine Warfare strategy. Incremental improvements, modernizations, and new technologies will help maintain our undersea edge.

We continuously evaluate, in close coordination with Combatant Commanders and the Joint Staff, the prioritization of our global force laydown.

QUESTIONS SUBMITTED TO GENERAL ROBERT B. NELLER

QUESTIONS SUBMITTED BY SENATOR THAD COCHRAN

AMPHIBIOUS-CLASS WARSHIPS

Question. Amphibious combat ships continue to be in very high demand among our commanders. Could you describe to us the importance of amphibious ships in executing the national defense strategy and share your thoughts on how their production is going and how we could make it even more efficient?

Answer. Amphibious warships are essential for our national defense. In fact, to meet Combatant Commanders' demand for these ships would actually require a fleet in excess of 50 ships. These ships provide the nation with crisis and contingency response capabilities, the ability to conduct forcible entry from the sea, humanitarian assistance, and disaster relief. These warships also facilitate Theater Security Cooperation exercises to build partner capacity and interoperability, in addition to ensuring that Marines are always forward postured for whatever other mission the nation might require.

Our stated requirement of 38 ships is designed to meet the Marine Corps requirement to embark the assault echelon of two Marine Expeditionary Brigades. We agreed to a fiscally informed, risk-assumed fleet of 34 ships, of which 30 are currently in our inventory. According to the Navy's current Long Range Shipbuilding Schedule, the inventory will reach 34 in fiscal year 2022.

In conjunction with our partners in the Navy, we are always looking for ways to make the procurement of amphibious ships more efficient. To that end, we would like to thank the Congress for adding a 12th LPD. The wisdom of this decision, coupled with the decision to build the LX(R) on the LPD 17 hull form, accomplished a number of objectives: it accelerated the production of the LX(R), reduced the cost, and minimized the amount of design and engineering required to construct the ship.

The procurement of amphibious warships could be made still more efficient through the use of 'block buy' acquisitions which would provide certainty to the Services and to the industrial base. This technique allows the industrial base to keep manufacturing lines open, which increases speed to fleet by decreasing time between ship construction projects, and eliminates the costs associated with shutting down a manufacturing line and restarting it at a later date—expenses which ultimately drive up the overall cost of a ship. Block buys would also allow us to lock in cost savings for multiple ships at a time. Finally, certainty on the funding source for the Ohio Replacement Program would take pressure off of the entire Navy shipbuilding account and allow for predictability and efficiency to be achieved across the fleet.

ASIA

Question. General Neller, what role can the 31st Marine Expeditionary Unit that patrols the Pacific play in counterterrorism operations in Southeast Asia?

Answer. The Commander of Marine Forces, Pacific utilizes 31st MEU for a wide range of missions throughout the USPACOM area of operations. Leveraging our relationship with USSOCOM and Special Operations Command, Pacific, the 31st MEU can bring a wide range of capabilities to bear in support of SOCOM's CT efforts.

Additionally, COMMARFORPAC has been designated as the USPACOM Senior Advisor to the Armed Forces of the Philippines. In support of this mission, the 31st MEU routinely supports a variety of tasks in support of Armed Forces of the Philippines capability and capacity development programs.

Calendar year 2016 will see Marine Corps forces participate in 24 PHL-US MUTUAL DEFENSE BOARD ACTIVITIES that range from Subject Matter Expert Engagements on topics such as Aviation, Amphibious, Logistical, and Urban Operations, and Academics on the Military Decision Making Process and Information Operations, to the introduction of Model and Simulation into the training environment and large-scale events.

Finally, in 2015 and 2016 to date, the MEU and over 5,000 Marines conducted five major training exercises that included BALIKATAN, PHIBLEX, FREEDOM

BANNER, and assault support exercises. Each year, the MEU conducts training in amphibious operations, large scale ground live fire, bilateral close air support, air assault, tactical air control, and staff exercises.

WEAPON MODERNIZATION

Question. General Neller, the Marine Corps announced it would no longer be using iron sights for training and is upgrading to the use of rifle combat optics for qualification ranges. Is there a cost associated with adding RCO's for all training ranges?

Answer. No, there is no cost associated with this decision in the current budget request. The decision to upgrade to the use of rifle combat optics for qualification ranges was made in 2011, with the decision to train and qualify with optics at our entry level training centers following in 2012. The latter decision did require the procurement of additional optics, but that purchase was completed the same year and the optics fielded.

Question. General Neller, you have been firm on Marines having 'brilliance in the basics.' For example, you called out Marines for relying on electronics and not knowing the basics of map and compass techniques. Why would you want to only train Marines on the RCO, something that could fail just like electronics, and take away from the training on iron sites?

Answer. The RCO is a non-powered day scope that has no electronic components and seldom fails. As the primary sighting system for our rifles and carbines, it is essential that we train to use this magnified optic to its full potential. We also field all of our individual weapons with a backup iron sight and train Marines in its use as a "just in case" measure.

Question. General Neller, you directed the Marine Corps to issue M4 rifles to those units still using the M16 last year. I applaud this, given that the M16 is a rifle we have continued to upgrade since the Vietnam War. What is the next step for small arms weapons modernization?

Answer. The Marine Corps Small Arms Modernization Strategy (2015) concentrates on updating current weapons in the short term and on developing next generation weapons that will enter service in the mid to late 2020s. In close coordination with the Army, this strategy is a cost-conscious, incremental approach to improve accuracy, lethality, ergonomics, and weight reduction. Our near-term strategy is to implement small-scale improvements as technology and funding allow, sustaining our small arms relevant to the current threat. Examples include redistribution of M4 carbines to replace remaining M16A4s in infantry battalions, a Quick Change Barrel for the M2A1 heavy machine gun, and pursuit of lightweight light/medium machine gun tripods for M240B and M249 machine guns. Our long term strategy (mid- to late-2020's) seeks to achieve larger gains in capability through pursuit of next generation weapons with the Army and other services. Envisioned are an individual carbine, an automatic rifle, and a designated marksman weapon for the squad that integrates advanced capabilities such as optics, fire control, power, and enablers into a single weapon system, as opposed to separate add-ons. This will optimize ammunition configuration, manage recoil, reduce weight and size, suppress audible and visible signature, exchange data (tagging, identification of friend or foe, fire direction, fire control), and count shots.

Question. General Neller, Special Operations Command is able to use carbon fiber wrapped barrels that can make the 82A1 50 caliber rifle incredibly lighter. What steps has the Marine Corps taken to adopt this new weapon technology for its standard infantry?

Answer. The Marine Corps is currently conducting market research on carbon fiber wrapped barrels manufactured by PROOF Research. The barrel manufacturer, based in Montana, has designed a prototype barrel that could reduce the weight of our M40A6 sniper rifle by over three pounds. A final configuration has not been determined as the barrels are still under testing. The Marine Corps will continue to monitor and coordinate with the US Army and USSOCOM for long term weapon improvement initiatives to reduce weight while maintaining lethality.

DEPLOYMENT ROTATIONS

Question. General Neller, a 2015 GAO Report recommended that DOD "determine whether opportunities exist to balance deployments across the joint force" in a study on the overuse of Special Operations Forces. Has the Marine Corps seen an issue with the current deployment cycle impacting its special operators?

Answer. Marine Corps Forces Special Operations Command is our Service Component to USSOCOM. Although MARSOC comprises less than 6 percent of USSOCOM manpower, Marine Special Operations Forces perform 9 percent of USSOCOM mis-

sions. MARSOC deploys regionally aligned Marine Special Operations Companies (MSOC) to three Theater Special Operations Commands—USAFRICOM, USCENTCOM, and USPACOM—and task organizes these units, based on their assigned mission, with both Special Operators and Marines with key enabling specialties such as intelligence analyst, Joint Tactical Air Controller (JTAC), signals intelligence, and mechanics.

MSOCs are regionally aligned to the TSOCs supporting USAFRICOM, USCENTCOM, and USPACOM requirements and maintain a 1:3 deployment-to-dwell ratio, meaning one MSOC is always deployed with three MSOCs in a recovery and individual training period or pre-deployment training which includes Marine Special Operations Team deployments. This 1:3 deployment-to-dwell ratio allows MARSOC to meet TSOC requirements on an enduring cycle without sacrificing personnel, equipment or unit readiness.

MARSOC can also deploy Special Operations Task Force Headquarters (commanded by a lieutenant colonel) and Combined Joint Special Operations Task Force Headquarters (commanded by a colonel). When MARSOC deploys the Task Force Headquarters, the Marine Corps frequently augments MARSOC with Marines from the operating forces and the reserve component.

Individual personnel tempo can be a challenge with certain enabling Military Occupational Specialties. Enlisted Marine Special Operators maintain an acceptable deployed to dwell ratio which allows them to balance deployments with recovery and time to attend MOS enhancing schools to gain additional SOF skills. JTACs and Signals Intelligence Marines are experiencing a more challenging deployment to dwell ratio.

Although our Service special operations component is able to effectively balance unit and personnel readiness with operational requirements, there continues to be a demand signal well above our ability to meet TSOC requirements. However, by providing MSOCs on a 1:3 deployment-to-dwell ratio, we ensure Marine Special Operations Forces are not overused.

Question. General Neller, has the Marine Corps considered leaning on its Force Recon companies to handle the impact of the high deployment cycle that MARSOC has been dealing with? If not, why not?

Answer. We are always looking at ways to optimize how we tailor our deploying forces to meet Combatant Commander requirements. Although assigned to SOCOM, MARSOC routinely deploys with other force elements of the Marine Corps especially in critical high demand/low density skills that enable our Marine Special Operations Companies and Marine Special Operations Teams to deliver exceptional capability in support of Commander, SOCOM and Geographic Combatant Commander requirements.

Currently, our Force Reconnaissance companies are providing elements in support of our Marine Expeditionary Units. The capabilities contained within the Force Reconnaissance companies are providing the enhanced skills necessary to our Marine Expeditionary Units to meet emerging Geographic Combatant Commander requirements.

To meet the Marine Expeditionary Unit requirements, our Force Reconnaissance companies are maintaining a similar deployment to dwell ratio as that found in MARSOC.

Question. The Marine Corps Reconnaissance MOS (0321) and the Critical Skills Operator MOS (0372) are both listed as critical MOS's in need of recruits. 0372 Marines were built from 0321s, and both have extensive skills overlaps. What consideration has the Marine Corps taken to combine the two, and why does the Marine Corps keep both separate?

Answer. The 0321 Reconnaissance Marine and 0372 Critical Skills Operator are indeed critical and complementary and, though they have similar skills, they perform very distinct missions. Our 0372 Critical Skills Operator is trained and employed under the auspices of United States Special Operations Command while our 0321 Reconnaissance Marines train and execute their operational duties in support of the Marine Air Ground Task Force (MAGTF).

While these MOS's both demand overlapping skills related to shooting, moving, and communicating, the 0372 MOS requires additional advanced individual and collective skills in order to accomplish the USSOCOM specified missions assigned to them, such as Foreign Internal Defense, Unconventional Warfare, and Preparation of the Environment. USSOCOM has determined that these skills demand rigorous screening and assessment programs to succeed within such mission criteria.

Our Reconnaissance Marines serve directly as the MAGTF's "eyes and ears," sensing and shaping the tactical environment to enable MAGTF maneuver. The 0321 Reconnaissance Marine provides our MAGTF Commanders a sensor on the ground that possesses the military judgment and understanding of Commander's intent nec-

essary to develop the battlespace and facilitate our operational and tactical maneuver. Moreover, it is the 0321's unique amphibious reconnaissance capabilities which are essential to bring the landing force ashore in the execution of our Service mandate to conduct Amphibious Joint Forcible Entry.

SPECIAL PURPOSE MARINE AIR GROUND TASK FORCE

Question. A Special Purpose Marine Air Ground Task Force is cited to cost around \$26 million per fiscal year (SPMAGTF-CR-AR as an example), and a Marine Expeditionary Unit (31st as an example) is cited to cost around \$16 million per fiscal year. What extra skillsets does a commander gain when employing a SPMAGTF compared to a MEU?

Answer. A typical SPMAGTF-CR-AF rotation consists of ~\$5 million in direct operational costs and \$8 million in fixed support costs for a total of ~\$13 million per rotation. At two 6-month rotations per fiscal year, this equates to ~\$26 million per fiscal year. A typical 31st MEU rotation consists of ~\$3.2 million in pre-deployment training, deployed operational costs, and overhead/support costs, and ~\$5 million in transportation costs for a total of ~\$8.2 million for a typical 6- to 7-month rotation. At two rotations per fiscal year, this equates to ~\$16.4 million per fiscal year. Note that estimates for the 31st MEU do not include blue-dollar operating costs for amphibious ships and crews or for Marine Aviation, all of which support the MEU, thus distorting a cost comparison between the MEU and the SPMAGTF by understating the fully burdened cost of deploying a MEU.

A commander gains no "extra" skill sets when employing a SPMAGTF compared to a MEU. SPMAGTF-CRs are not a comparable replacement to the Amphibious Ready Group (ARG)/Marine Expeditionary Unit (MEU). They are not as capable or flexible as an ARG/MEU Team, but provide credible forces to respond to specific crises. SPMAGTFs are organized, trained, and equipped with narrowly focused capabilities. They are designed to accomplish a specific mission, often of limited scope and duration, and tailored to a specific area of responsibility. They may be any size, but normally they are a relatively small force—the size of a MEU or smaller. For example, SPMAGTF-CR-CC is task organized with organic Marine Corps fixed wing tactical aviation and other enablers to achieve its mission in support of Operation Inherent Resolve. SPMAGTF-CR-AF has a different set of enablers to achieve specified tasking in support of its assigned geographic combatant commander.

The three-ship ARG/MEU remains the most capable forward-deployed MAGTF in providing crisis response, deterrence, and decision time across the range of military operations. Marine Corps forward-deployed capabilities support the National Strategy and protect vital national interests through the forward positioning of crisis response capabilities thus giving national leaders decision space to examine other options. Each ARG/MEU is fully prepared to respond to a list of 13 missions from and within the maritime domain.

Our amphibious capability creates four strategic benefits for a nation dependent on its ability to exploit its command of the littorals to project influence and power:

- Freedom of action: Amphibious forces can use the maritime domain as a base from which to conduct operations. They can loiter indefinitely in international waters and maneuver ashore at the time and place of their choosing.
- Deterrence: While a standoff strike is sometimes an adequate response, other situations require the rapid insertion of sustainable combat forces to underscore the Nation's commitment to an ally or to protect our National Security interests.
- Assured access: Amphibious forces contribute unique and essential capabilities toward the nation's ability to take advantage of the freedom of the high seas to enter a region without regard to access constraints and impediments and to sustain sea-based operations almost indefinitely without need for in-theater host-government support.
- Uncertainty for adversaries: A credible forcible-entry capability compels potential adversaries to invest in a broad range of systems and spread their defenses over larger areas of concern.

SPECIAL PURPOSE MARINE AIR GROUND TASK FORCE

Question. General Neller, would an increased amount of readiness funding for the Marine Corps alleviate the need for Special Purpose Marine Air Ground Task Force in CENTCOM AOR and allow it to be replaced by a Marine Expeditionary Unit in the Mediterranean?

Answer. Unless additional funding is provided to increase the quantity of operationally-available amphibious warships, the requirement for a crisis response SPMAGTF in CENTCOM will remain for the foreseeable future. The quantity of

operationally-available amphibious warships is insufficient to meet the day-to-day requirements of the Geographical Combatant Commanders. Consequently, some areas, such as the Mediterranean, lack full Amphibious Ready Group-Marine Expeditionary Unit (ARG/MEU) presence year round.

The paucity of operationally available amphibious warships, ongoing fiscal constraints, and the tragic killings of a U.S. ambassador and three fellow Americans in Benghazi, Libya led to the creation of crisis response SPMAGTFs. Born out of the “New Normal,” crisis response SPMAGTFs were intended to provide limited crisis response and small unit-level security forces, and participate in combatant commander theater security cooperation events. Crisis response SPMAGTFs help mitigate presence and capability gaps when an ARG/MEU is not operationally available. However, crisis response SPMAGTFs do not replace the ARG/MEU as the optimal crisis response force.

As the optimal crisis response force, the ARG–MEU’s inherent responsiveness provides timely capabilities that far exceed all crisis response SPMAGTFs. Previous Commandants and Chiefs of Naval Operations have testified that over 50 operationally-available amphibious warships are required to meet the demand generated by day-to-day requirements of the Geographical Combatant Commanders; there are simply not enough amphibious warships to meet global requirements.

In light of the “New Normal,” crisis response SPMAGTFs provide a vital capability in areas that lack full ARG–MEU presence year round; but no SPMAGTFs can replace an ARG–MEU. Readiness funding that increases the quantity of operationally-available amphibious warships and protects crisis responses SPMAGTFs are in the vital interests of the nation.

DESERT TORTOISES

Question. General Neller, how much in total has it cost the Marine Corps to comply with the endangered species act covering the desert tortoise, which resides at the Marine Corps 29 Palms training center?

Answer. There are two components to the costs of Marine Corps compliance with the Endangered Species Act (ESA) related to the desert tortoise at Marine Corps Air Ground Combat Center 29 Palms (MCAGCC).

The first component involves ongoing ESA compliance requirements for the desert tortoise on the existing MCAGCC. The Marine Corps spent \$17.8 million from fiscal year 2005–2016 on this first component of ESA requirements related to the desert tortoise.

The second component involves the costs associated with the 150 thousand acre land expansion authorized by National Defense Authorization Act fiscal year 2014. A total of \$22 million has been obligated to date since fiscal year 2013, and an additional \$28 million is estimated to cover future costs for surveys, monitoring, and other activities to ensure the success of desert tortoise relocation through fiscal year 2045. In total, the Marine Corps anticipates spending approximately \$50 million from fiscal year 2013–2045 to cover ESA requirements for the desert tortoise related to the 150 thousand acre land expansion.

In total, the Marine Corps has spent approximately \$39.8 million since fiscal year 2005 to comply with the Endangered Species Act (ESA) related to the desert tortoise at MCAGCC 29 Palms, and projects another \$28 million in future costs to achieve successful relocation of the desert tortoise.

Question. General Neller, it was reported on March 8th that it would cost \$50 million to have the Desert Tortoise removed from the training areas, what steps is the Marine Corps taking this time compared to your previous efforts?

Answer. The Marine Corps has not previously undertaken a desert tortoise relocation of this magnitude. The relocation is being done to support large-scale Marine Expeditionary Brigade combined-arms, live-fire and maneuver training on the Marine Corps Air Ground Combat Center 29 Palms (MCAGCC) that includes the newly acquired lands. For the planned large-scale translocation, MCAGCC developed a relocation plan that has been coordinated with the United States Fish and Wildlife Service and incorporates existing desert tortoise research and lessons learned from failures and successes of other relocation efforts. In 2006 MCAGCC successfully relocated 17 adult tortoises which had 100 percent survivorship for the 3 years of post-relocation monitoring.

QUESTION SUBMITTED BY SENATOR BRIAN SCHATZ

Question. Based on an assessment of your force structure, the current demand from the Combatant Commanders, and the appropriate amount of lift to support a

forcible entry with two Marine Expeditionary Brigades, the Marine Corps says it requires 38 amphibious ships.

Currently, there are 30 amphibious ships in the fleet. Given the current fiscal constraints, the Navy and Marine Corps will accept some risk with the current plan to grow the fleet to 33 amphibious ships, potentially 34 ships.

How does the shortage of amphibious ships affect your ability to operate across the range of military operations and what risks will the Marine Corps face if it does not have its requirements met?

Answer. The Chief of Naval Operations and the Commandant of the Marine Corps have determined the force structure to support the deployment and employment of 2 Marine Expeditionary Brigades (MEBs) simultaneously is 38 amphibious warfare ships. Understanding this requirement, and in light of the fiscal challenges faced by the nation, the Department of the Navy has agreed to sustain a minimum of 34 amphibious warships. However, Combatant Commander demand is more realistically assessed in excess of 50 amphibious warships.

Shortfalls in the amphibious warship inventory have multiple negative effects. This must be viewed as a two-faceted problem of inventory and availability. A decreased inventory has negative effects on both overall capacity and maintenance. For instance, our existing inventory of 30 ships will, at current maintenance rates, only yield approximately 21 operationally available amphibious warships at a given point in time. This puts the nation at risk of being unable to embark the 2 MEB assault echelon required for a forcible entry capability. Further, as ships are stressed due to increased use, they require more maintenance, driving up maintenance costs and compounding the problem of availability.

While this 34-ship force accepts risk in its role of providing combat support and combat service support elements of a MEB, it has been determined to be adequate in meeting the needs of the naval force within today's fiscal limitations. This inventory level also provides the needed capacity for a forward presence and a MEB/Expeditionary Strike Group (ESG) to respond to a crisis or contingency. Any shortfalls below 34 will negatively affect our ability to ensure constant presence, and our ability to immediately respond to tasks on the lower intensity end of the range of military operations with Marine Expeditionary Units.

Further, this negatively impacts our ability to serve as the nation's expeditionary force in readiness and to prevent incidents from escalating beyond small scale crisis. For instance, we have a noteworthy lack of maritime presence in the Mediterranean. To mitigate this, the Navy and Marine Corps are exploring opportunities to deploy Marines on non-combatant auxiliary platforms, a less-than-ideal workaround necessitated by the current fiscal environment. Auxiliary platforms are not a replacement to the capabilities and survivability of amphibious warships. Furthermore, this shortfall has forced the Navy and Marine Corps to explore ways to distribute elements of a single Amphibious Ready Group (ARG)/MEU across Combatant Commander boundaries to provide some measure of coverage in various regions. Again, this is not an ideal method when compared to the preferred employment of the full ARG/MEU as an aggregated three-ship force which can bring to bear its full capability.

Finally, shortfalls negatively affect our ability to train. Conducting amphibious operations with our joint services is not just a matter of putting Marines on Navy ships. Those units must have the opportunity to operate with each other during their workup to establish relationships, tactics, techniques, procedures, and build interoperability.

SUBCOMMITTEE RECESS

Senator COCHRAN. The Committee stands in recess until we call the Chair.

[Whereupon, at 11:44 a.m., Wednesday, March 2, the subcommittee was recessed, to reconvene subject to the call of the Chair.]