

[H.A.S.C. No. 115-33]

**CONSEQUENCES TO THE MILITARY OF A
CONTINUING RESOLUTION**

**COMMITTEE ON ARMED SERVICES
HOUSE OF REPRESENTATIVES**

ONE HUNDRED FIFTEENTH CONGRESS

FIRST SESSION

**HEARING HELD
APRIL 5, 2017**



U.S. GOVERNMENT PUBLISHING OFFICE

25-149

WASHINGTON : 2018

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ONE HUNDRED FIFTEENTH CONGRESS

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CONSEQUENCES TO THE MILITARY OF A CONTINUING RESOLUTION

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Wednesday, April 5, 2017.

The committee met, pursuant to call, at 10:02 a.m., in room 2118, Rayburn House Office Building, Hon. William M. “Mac” Thornberry (chairman of the committee) presiding.

OPENING STATEMENT OF HON. WILLIAM M. “MAC” THORNBERRY, A REPRESENTATIVE FROM TEXAS, CHAIRMAN, COMMITTEE ON ARMED SERVICES

The CHAIRMAN. Committee will come to order.

After having explored the next steps of defense reform in yesterday’s hearing, we now turn to what is needed to repair and rebuild our military. And I am grateful to each of the distinguished service chiefs for being with us today.

There is widespread agreement that funding cuts under the Budget Control Act, plus a series of continuing resolutions, coupled with the pace of required deployments have damaged the U.S. military. I believe that damage has gone far deeper than most of us realize, requiring more time and more money to repair than is generally expected. There is plenty of responsibility to go around for the current state of affairs, with both Congress and the Obama administration, with both Republicans and Democrats, with both military and civilian leadership.

Among other problems, defense funding has gotten caught up in partisan back-and-forth on other issues and has even been held hostage to other priorities. We need to get back to evaluating defense needs on their own without regard to any agreement or disagreement we may have on other issues. The men and women who serve deserve at least that.

The most important thing now is to repair the damage. We have the chance to begin doing so by passing a full appropriation bill for this year, acting favorably upon the supplemental request, and then enacting adequate authorization and appropriations for fiscal year 2018.

The immediate issue before us is the expiration of the current continuing resolution on April 28th. We in the House passed a full appropriation bill for fiscal year 2017 on March 8th by a vote of 371 to 48. The Senate has not yet acted on it. As I have said before, I will not vote for a defense continuing resolution for the rest of fiscal year 2017. It would simply do too much harm.

Fundamental to fixing a problem is to expose it and understand it. I understand that we have to be cautious about exposing our

vulnerabilities, but in order to do better for the military and for the country, we must have the best professional military judgment our witnesses today can offer on the current state of our military forces, and on what a CR [continuing resolution] or inadequate funding would mean for them. To get on a better track, we all have to be clear and candid with the American people. And that is exactly the purpose of today's hearing.

Mr. Smith.

[The prepared statement of Mr. Thornberry can be found in the Appendix on page 57.]

**STATEMENT OF HON. ADAM SMITH, A REPRESENTATIVE FROM
WASHINGTON, RANKING MEMBER, COMMITTEE ON ARMED
SERVICES**

Mr. SMITH. Thank you, Mr. Chairman. And I agree with much of what the chairman had to say.

I mean, certainly over the course of the last 6-plus years, you know, the uncertainty that has accompanied the defense budget has made it very, very difficult to operate. We have had one government shutdown, countless threatened government shutdowns, and numerous CRs. And I think most people don't appreciate what a CR means; they just say, well, you are just continuing the budget.

A CR basically means you can't start new programs, you can't end programs that need to be ended, and as importantly, a lot of times you are not really sure what qualifies as which. All of you have to go through a very difficult task when we don't have a regular appropriations bill of figuring out exactly what you can and cannot spend money on, and that is a colossal waste of your time and also very expensive. We should give you a clear budget, every year, clear appropriations to give you the freedom to implement that as is necessary. We have not done that.

And I agree with the chairman, there is plenty of blame to go around on that front. But the lack of budget clarity has caused no end of problems. I also agree that the force has been unquestionably stressed over the course of the last 15 years, certainly with two major wars in Afghanistan and Iraq and then the ongoing struggle against extremism all across the world.

Our military has been given a large number of assignments, and couple that with the inadequate, well, with the unpredictable number of resources and you—you have a problem. I think there is a larger thing that we need to get at, and I agree with the chairman again that we need an appropriations bill, and we need to fund the military to meet the mission.

I don't agree that we can somehow pull defense out of the entire rest of the Federal Government, look at it totally separately as if all the other money that we spend in the government doesn't matter. Because unfortunately, we do have other priorities than just national security, some of which are really rather important. In fact, some of them have to do with security—the intelligence budget, the Department of Homeland Security; but also our infrastructure, which is crumbling at an alarming rate and it regrettably is a tradeoff.

And I think the budget that President Trump sent up this year makes that absolutely clear. He plussed up defense by \$54 billion and he took the \$54 billion out of everything else, including a 31 percent cut in the State Department. And as the Secretary of Defense, General Mattis, said, if you are going to cut the State Department, and if you are going to cut development aid, then you better give me five more divisions because I am going to have a lot of wars to fight. It is all of a piece.

As much as I would love on this committee to be able to pull defense out and say we can ignore everything else, we aren't just members of the defense committee—we are Members of Congress, and we are responsible for all of that. Towards that end I will make one final point.

As we look at how we put together a defense budget, I agree with the chairman: we should not give the men and women who serve in the military tasks and assignments that we do not equip and train them to do. That is where we are at right now; that is completely and totally unacceptable.

I do not, however, agree that the answer is to simply continue to expand what those tasks and responsibilities should be and kind of hope that we somehow come up with more money to meet it because the tasks and responsibilities that have been described by the President and what he says he wants the military to do. He sent up a \$603 billion dollar budget that doesn't even come close to meeting those tasks and responsibilities that are outlined. Even the \$640 billion that the chairman here and the chairman of the Senate Armed Services Committee have talked about doesn't come close to meeting that, either.

So what we also need to do, in addition to rightly pointing out the lack of resources and the unpredictability, is come up with a set of tasks and missions for the Department of Defense, for the men and women who serve in the armed services, that we can actually fund.

We cannot continue to say, well, you got to do this, got to do this. We don't have money, we don't have the money, we should have the money, we don't have the money, we should have the money. We know where our budget is at. We know that we are \$20 trillion in debt, that we are running a deficit in excess of \$600 billion, and that there are other needs in our budget.

So I think we also have to be really smart about how we spend the money in defense and about what missions we decide our men and women should be ready, trained, and equipped to serve.

So I hope that is part of the discussion as well this morning. I look forward to your testimony, and I thank you all for your service.

[The prepared statement of Mr. Smith can be found in the Appendix on page 58.]

The CHAIRMAN. We are pleased to welcome this morning General Mark Milley, Chief of Staff of the Army; Admiral John Richardson, Chief of Naval Operations; General David Goldfein, Chief of Staff of the Air Force; and General Robert Neller, Commandant of the Marine Corps.

Without objection, your full written statements will be made part of the record.

And let me just say, again, how much I appreciate each of you being here. I know you have a lot of responsibilities on your shoulders. I know, for example, the Commandant came back a day early from an overseas trip. But I believe the opportunity to get funding for the military on a better track deserves all of our careful attention and discussion. Again, that is the purpose of today's hearing. Thank you all for being here.

General Milley, we would be pleased to turn to you for any oral statement you would like to make.

**STATEMENT OF GEN MARK A. MILLEY, USA, CHIEF OF STAFF
OF THE ARMY**

General MILLEY. Thanks, Chairman Thornberry and Ranking Member Smith and all the distinguished members of the committee, for the opportunity before you today. I appreciate that, and I know we all do.

The world is becoming a more dangerous place, with simultaneous challenges to the United States interests from Russia, China, Iran, a rapidly growing threat from North Korea, and an ongoing series of wars against terrorists. This is no time, in my professional view, to increase risk to our national security. A yearlong CR or return to the BCA [Budget Control Act] funding will do just that. It will increase risk to the Nation and will ultimately result in dead Americans on a future battlefield.

To execute current operations, sustain readiness while making progress toward a more capable and lethal future, the United States Army requires, most importantly, predictable and consistent funding. The lack of fiscal year 2017 appropriations and no supplemental increase in funding will significantly and negatively impact readiness and increase risk to our force.

Additionally, a return to budget caps due to BCA sequestration in fiscal year 2018 forces the Army to reverse our efforts to improve readiness and will lead to a hollow Army. In the last 2 years, we have made steady progress in our core warfighting skills across multiple types of units. But we have much work to do to achieve full-spectrum readiness necessary to meet the demands of our National Military Strategy and the Defense Planning Guidance.

Advances by our adversaries are real, and the cumulative effect of persistent and destructive budget instability for 8 consecutive years is increasing risk, not only to the Army, but to the Nation, and will result in unnecessary U.S. casualties. Readiness to prevent or, if necessary, fight and win wars is a very, very expensive proposition. But the cost of preparation is always far less than the cost, the pain, the blood, and the sacrifice of regret.

Readiness is the Army's number one priority. Our current readiness funding requirement is submitted in the amendment to the fiscal year 2017 President's budget is \$3 billion above fiscal year 2016's operations and maintenance levels. Our planning efforts for fiscal year 2017 request for additional appropriations centered on filling critical gaps in readiness, specifically in armor, air defense, field artillery, and aviation.

If forced to operate under a yearlong CR, this will not happen and Army current readiness and efforts to close critical gaps will be severely impacted. Funding under a CR for a year will result in

a dramatic decrease in training starting next month in May and by 15 July all Army training will cease, except those units deploying to Afghanistan or Iraq.

Our CTC [Combat Training Center], collective training exercises, at NTC [National Training Center] and JRTC [Joint Readiness Training Center] will be significantly degraded and all efforts to increase Army end strength, as mandated in the fiscal year 2017 National Defense Authorization Act by you for the Regular Army, the National Guard, and the Army Reserve will also cease. The cumulative effect of training shortfalls, combined with personnel constraints, will result in an Army that is less ready to meet not only current requirements of combatant commanders, but limit our ability to assure our allies, deter our adversaries, now and in the future.

Also, procurement efforts currently on hold will remain on hold, preventing the Army from immediately addressing known shortfalls and gaps in combat systems, and importantly in munitions, electronic warfare, cyber programs, air and missile defense, long-range fires, protection and mobility programs, along with several other modernization initiatives. We will lose our current overmatch.

The current battlefield is already very lethal, and a future battlefield will likely prove far more lethal than anything we have recently experienced. Our adversaries have studied us and are rapidly leveraging available technology while the Army has yet to fully recover from the effects of the shutdown in 2013. Time is not our ally. A return to the BCA caps will damage the Army's ability to build and maintain readiness at appropriate levels and result in multiple years of negative impacts on the future of our Army.

While we cannot forecast precisely when and where the next contingency will arise, it is very likely to require a significant commitment of U.S. Army ground forces. Sustaining high levels of performance that your Army has demonstrated in the face of increasing challenges requires consistent, long-term, balanced, and predictable funding. A yearlong continuing resolution or return to BCA funding caps absolutely will result in a U.S. Army that is out-ranged, outgunned, and outdated against potential adversaries.

With your support, however, in passing the fiscal year 2017 budget and the supplemental, the Army will fund readiness at sufficient levels to meet current demand, build readiness for contingencies, and invest in the future force.

Thank you for the opportunity to testify, and I look forward to your questions.

[The prepared statement of General Milley can be found in the Appendix on page 60.]

The CHAIRMAN. Admiral Richardson.

STATEMENT OF ADM JOHN M. RICHARDSON, USN, CHIEF OF NAVAL OPERATIONS

Admiral RICHARDSON. Thank you, Mr. Chairman, Ranking Member Smith, and distinguished members of the committee for the opportunity to discuss the impacts that another continuing resolution—in fact, just to leverage General Milley's statement—con-

tinuing uncertain and inadequate funding levels would do to the Navy.

And two points I just want to clarify and clearly convey right off the top is that, Mr. Chairman, we need that fiscal year 2017 bill and the supplemental in order to keep Navy programs and key investments moving forward, to recover readiness this year, prevent digging the readiness hole deeper, and to sustain it into the near future.

There is a growing gap between the missions that we are asking our Navy to do and the unreliability and shortage of the resources provided to do those missions, as Ranking Member Smith highlighted. We got to where we are today because of 15 years of operating at wartime pace. The Eisenhower Strike Group has deployed five times in the last 7 years.

Contrast that level of effort with 8 years of continuing resolutions and 5 years of budget restrictions imposed by the Budget Control Act and the Balanced Budget Acts. This gap creates years of stress over and above the inherent stress of deployed operations. And the Navy team, in fact, the joint service team, the joint force team, sailors, civilians, and their families, have been absorbing that stress.

And so in the simplest possible terms as I speak to you today, if we don't get the funding just described, lots of our aviators will not fly and they can't train. We won't have the spares to fix their planes; we won't have the gas to fly them. We may not have the pay to keep our pilots in the services. And we won't have ready aircraft for tomorrow's pilots.

Lots of sailors will not go to sea. We can't afford the maintenance to fix their ships, can't afford the gas to steam them. And ships will remain tied up to the pier. In many ways this is irreversible. You can't get lost training time back; we will be less proficient when we do go to sea, when we do fly. Our pilots will be less experienced, which is a daunting fact when you consider what we are asking them in wartime. Our sailors will have less time at sea to practice together, to train together, and to achieve the intricate teamwork needed to win in modern warfare.

And the stress doesn't stop when they return to homeport. Current funding without the fiscal year 2017 bill and the supplemental will only allow for 1-month's notice before they move their families, placing a huge burden on their families and especially those with children. And we will continue to ask our people to work in substandard conditions in over 6,000 buildings in dismal condition awaiting repair, replacement, or demolition.

At the unit level, we will have to shut down air wings in the short term. And in the long term, the shortage of airplanes will get worse. We will delay important upgrades that help us keep pace with the threat. These delays or cancellations will put sailors at greater risk from cyberattacks, with the growing threat of anti-ship missiles in the areas that they routinely operate. Submarines will lose their certification to dive. Ships will be at the pier instead of underway.

Failing to maintain our equipment has the same net effect as cutting force structure; whether we leave a ship tied up to the pier because it is not repaired or we decide not to build a new ship, both

mean one less ship at sea. Not being able to fly an existing aircraft or not buying a new aircraft both mean one less plane in the air. As the general said, this is not a theoretical debate. While we talk about whether or not to keep ships in port and aircraft on the ground, our competitors are making steady progress and gaining on us.

America's risks are getting worse as other nations grow their fleet and operate them in the Pacific, Atlantic, Indian, and Arctic Oceans. As they extend their influence over trade routes that are the lifeblood of the international economy, including ours.

I just got back from Rota, Spain, where I saw our sailors in action. We visited the USS *Ross* who is now in the increasingly contested waters of the Eastern Mediterranean. Those sailors know clearly that they are sailing into harm's way, but they took an oath to support and defend the Constitution and they live up to that commitment every day, undaunted by the competition I just described. And their teammates do this every day all around the world. They are tough, dedicated, and proud of what they do.

Back here at home, there is less evidence that we get it. There is tangible lack of urgency; we are not doing what we should to help them win. In fact, we are here today to discuss plans, potential plans, that would make their lives harder, that will further shrink their advantage.

So, Chairman, I urge Congress to pass the fiscal year 2017 bill and give favorable consideration to the supplemental. It will make us more ready, more competitive, and relieve a lot of stress that is on our people. Together, we can find ways to maintain our edge. There is so much at stake.

Thank you for the chance to testify, and I look forward to your questions.

[The prepared statement of Admiral Richardson can be found in the Appendix on page 65.]

The CHAIRMAN. General Goldfein.

STATEMENT OF GEN DAVID L. GOLDFEIN, USAF, CHIEF OF STAFF OF THE AIR FORCE

General GOLDFEIN. Thank you, Chairman Thornberry, Ranking Member Smith, distinguished members of the committee for hosting this critically important and timely hearing. It is a privilege to be here with my fellow Joint Chiefs.

Your Air Force is globally engaged both here in the homeland and deployed to capture and control the high ground as we provide global vigilance, global reach, and global power for America and our allies. As the service with the most diverse portfolio of missions, operating from the outer reaches of space, to 100 feet below the surface and everywhere in between, we are involved in some way in every mission the joint force performs. Put simply, your Air Force is always there.

Our responsibility begins in the nuclear enterprise as we ensure the bomber and missile legs of the triad remains safe, secure, and reliable, and on our worst day as a nation we ensure the Commander in Chief is where he needs to be when he needs to be there and that he remains connected to our Air Force and naval nuclear forces who stand watch for America and our allies.

In space, your airmen fly and maintain 12 constellations that provide critical intelligence, protected communications, nuclear command and control, and GPS [Global Positioning Satellite] for the joint team and for the globe. When China launched its anti-satellite missile in 2007, creating a debris field over 300,000 particles, space became both a contested and a congested place, and it is the responsibility of your Air Force to organize, train, equip, and present the preponderance of ready space forces to combatant commanders to fight should a war either start or extend into space.

In the cyber domain, airmen join their fellow soldiers, sailors, and Marines to defend the Nation and develop tactics, techniques, and procedures to produce strategic effects in this new and critical warfighting domain. Just 16 years ago, we had a single remotely powered aircraft in test. Today your Air Force delivers 60 lines of armed reconnaissance along with high-altitude capabilities that provide an unblinking eye on our adversaries.

If you heard jet noise this morning driving to the Capitol, it was likely the F-16s from the 113th Air National Guard Wing at Andrews who sit on alert to defend this city, just as we do across the Nation to defend our homeland from attack. And I learned just walking in this morning that we lost an F-16 from that wing this morning. And I am proud to say that at least the news reports are telling us the pilot got out and he is okay. These are just some of the missions we perform here.

Simultaneously, airmen are operating forward in over 175 locations to assure allies and partners, deter adversaries, shape the environment, and respond to crises. Job one for our deployed force is to gain and maintain air superiority, which we define as freedom from attack and freedom to maneuver.

When a soldier, sailor, airman, Marine, or coastguardsman hears jet noise, I don't ever want them to look up. I want them to know it is me. This is sacred duty for an airman. Once we establish air superiority, your Air Force provides unmatched global reach with an aircraft taking off or landing every 3 minutes delivering critical personnel or supplies where and when they are needed. And we sometimes operate out of locations that are in insecure areas. And it is our special forces, air commandos, who are trained to secure airfields when and where we need them in places like Qayyarah West in Iraq.

And when it comes to global precision strike, I call your attention to the January raid where a pair of B-2 bombers departed their home base in Missouri for a 32-hour round trip sortie to Libya. These stealth bomber crews, refueled by 13 different tankers, delivered 85 bombs over 2 terrorist camps, delivering precise legal effects within 10 seconds. And I repeat, 32-hour mission, within 10 seconds of their designated time over target.

And in the counter-ISIS [Islamic State of Iraq and Syria] fight, Lieutenant General Jeff Herigian, the air component commander, leads a coalition of 16 nations in the fight to defeat violent extremism in the Middle East. In the current fight against ISIS, coalition partners have dropped over 40,000 munitions on our enemy with the vast majority coming from United States Air Force.

For our enemy, "always there" has a different meaning. General Hap Arnold, who led the air effort during World War II, stated dur-

ing the worst days of the daylight bombing campaign, "The problem with air power is we make it look too easy." The truth is anything but. Today's Air Force is the smallest, oldest, and least ready in its history. We have and will continue to fly, fight, and win, but at a cost to our airmen and their families who remain globally engaged.

Chairman, it is fitting that we are having this hearing on Gold Star Spouse Day as a reminder of how vital our families are to our mission. For 26 years of continuous conflict, starting with Operation Desert Storm through Operations Northern and Southern Watch, Deliberate and Allied Force in the Balkans, Odyssey Dawn in Libya, and the current fights in Afghanistan, Iraq, and Syria, they have remained faithful to our cause. So it is unfortunate that we are now discussing the potential of yet another extended continuing resolution, which, as has already been said, is the equivalent of a mini sequestration round which we have already been through before. You see, in the Air Force we still haven't recovered from round one.

Failing to pass an appropriations bill will cost the Air Force \$2.8 billion in the remaining 5 months of 2017. Here are just two of the direct impacts to our most important resource, our airmen and their families, of failing to pass a budget. We will stop flying in late June when the money runs out; so only squadrons in the fight or preparing to go to the fight will train. By the end of this year, we will be short 1,000 fighter pilots.

Chairman, it takes approximately 10 years and \$10 million to train a fighter pilot. One thousand short equates to \$10 billion of capital investment that walked out the door, and it will take us 10 years to replace that experience. Of all the things that we can do to retain pilots, the most important is to get them airborne. Pilots who don't fly, maintainers who don't maintain, air traffic controllers that don't control, leave. And while we will never buy our way out of this shortage, an extended CR will also negate the pilot bonuses Congress authorized, which will break faith with the force.

In addition, over 2,000 young men and women have signed up to serve in the long blue line who will not be allowed to enter the service until we get an appropriation. They represent the greatest treasure in our Nation's arsenal. They come from each of your districts. They have given up jobs, left home, made plans, all to be told they will have to wait now for months to pursue their dream. How many of these talented young men and women won't wait and will choose an alternative path when we desperately need to grow our force in fiscal year 2017?

As a service chief I have many obligations, but one remains paramount. Every airman we send into harm's way must be properly organized, trained and equipped, and led to succeed in their mission. And we must take care of their families while they are gone. This is our moral obligation. A yearlong CR makes meeting this obligation extremely difficult.

Mr. Chairman, Ranking Member, distinguished members of this committee, the demand for air and space superiority has never been higher. With it, we win; without it, we lose. We look forward to working with you in the weeks ahead to pass a budget and

thank you again for holding this critically important hearing. I look forward to your questions.

[The prepared statement of General Goldfein can be found in the Appendix on page 69.]

The CHAIRMAN. General Neller.

**STATEMENT OF GEN ROBERT B. NELLER, USMC,
COMMANDANT OF THE MARINE CORPS**

General NELLER. Chairman Thornberry, Ranking Member Smith, members of the committee, I will be brief so we can get to your questions.

First, let me fully endorse the comments of my fellow chiefs. And second, I think it is important to remember that the readiness of our respective services are inextricably linked. The fleet doesn't sail, Marines don't get to sea; the Army can't train, we can't train with them; the Air Force can't fly, we can't move around the world. So none of us can do anything by ourselves. So our readiness of our respective forces are part of that of the joint force.

Marines have a unique perspective on readiness based on the direction of the Congress as the Nation's force in readiness. Being ready is central to our identity. So the bottom line is this: operating under a full-year continuing resolution through the remainder of this fiscal year will seriously degrade readiness across the force and have adverse effects on future readiness.

Specifically, we will cease CONUS [continental United States]-based flight operations in late July or early August with the exception of those squadrons getting ready to deploy. Lack of funding will slow, halt, or potentially reverse hard-earned material readiness recovery efforts across the force. It will slow the acquisition of critical systems and delay the construction of much needed amphibious warships.

The scope and scale of our training will be significantly reduced, impacting service level pre-deployment training such as the integrated training exercise at Twentynine Palms, which is our key event for certification before deployment.

Other events, large multilateral and multinational exercises such as Bold Alligator at Camp Lejeune or our cold-weather training in Norway, Cold Response, will also be degraded. And we will be challenged to recover from these training gaps, because once you lose a training you can't get it back. You can't get it back because there is another unit in the queue ready to go. And if you miss it, you are not going to get another turn.

As Representative Smith mentioned, the global security environment drives the requirements which determine our operational commitments. Your Marines are as busy now as they were during the height of operations in Iraq and Afghanistan. Just this morning, I returned from visiting Marines and our joint and coalition partners forward deployed in the Republic of Korea and Japan. I assure you that the forward-deployed force is engaged around the globe in support of not only PACOM [U.S. Pacific Command], but all combatant commanders and is ready to go.

Our current operational tempo, combined against fiscal reductions, the instability of these CRs, and the lasting impacts of sequestration, continue to make us make hard choices that prioritize

support to the operational forces above many other resource requirements.

The priority has and will continue to go to deployed and the next-to-deploy units. But that results in readiness shortfalls in aviation facilities, sustainment, modernization, retention of critical skills, and the depth and readiness of our ready bench. Working with our Congress and our chiefs and the Department of Defense, and the chairman and the Secretary, I assure you, the Marine Corps make the most of those resources we are provided, and that Marines will meet the high standards of the Congress and the American people, regardless.

I look forward to your questions.

[The prepared statement of General Neller can be found in the Appendix on page 76.]

The CHAIRMAN. Let me ask each of you to address a relatively simple question. Why is it different now? As Admiral Richardson and Mr. Smith mentioned, we have had 8 years of CRs, 5 years of the Budget Control Act. You know, to most people, they look and say, well, we are still bombing ISIS. You know, we are getting by. We are doing what needs to be done. And yet, each of you has painted a pretty dire picture of where we are and especially where we would be under a CR or without a supplemental.

So, again, I guess my basic question is, why is it different now? General Milley.

General MILLEY. In my view, it is the cumulative effect. We have been doing CRs now for 8 years, shutdown in 2013. It is a cumulative effect on the personnel. We have reduced the Army by 80,000 or 90,000 soldiers in the last 8 years. We have taken out 17 brigade combat teams. We still have 180,000 soldiers today deployed in under 40 countries around the world. We are still actively engaged in terms of OPTEMPO [operational tempo] and combat operations in Afghanistan, Iraq, Syria, Yemen, Libya, Central Africa, West Africa, and several other places.

Roughly speaking, I just got back from the Middle East last week, 80 percent of those forces that you see on the ground in those countries are Army forces. It is the cumulative effect of all of these years.

And, by the way, it is not just fighting in Iraq and Afghanistan. There are other potential contingencies on the horizon. We saw that yesterday morning with the launching of a nuclear missile, or not a nuclear missile, but a missile from North Korea that landed in the Sea of Japan. I have no idea and neither does anybody in this room where all that leads. We must be ready. It is the cumulative effect.

Chairman, if I were to draw an analogy, it would be like smoking cigarettes. One cigarette is not going to kill you. But you do that for 8, 10, 20 years, 30 years, you are eventually going to die of lung cancer. It is the cumulative effect over time that is really devastating and the seesaw effect of money in and money out.

And also, we can't invest in modernization because industry has to have predictable funding and we can't do that. It is a very—not only is it negative on immediate readiness it is devastating on future modernization because we can't get out in front of it and it is much more expensive when you can't do multiyear contracts—it is

very expensive. It is an inefficient, ineffective way of doing the budget.

The CHAIRMAN. Admiral.

Admiral RICHARDSON. Mr. Chairman, I would pile on top of everything that General Milley said. It is the cumulative effect of this triple whammy of the operational pace against fighting violent extremism; contrast that against the uncertainty of the budget and the budgetary levels.

We always, all of us, strive to send our forces forward, fully ready into those fights so that they are fully prepared for any contingency that comes their way, but that has come at the cost of readiness back home and those reinforcement forces, those surge forces that would flow into the fight if we had a major contingency, as the general highlighted.

I would also say that one thing, in my mind, that has characterized the discussion is it is very internally focused and it is not just us that have been operating in the world in the last 10 years. So if we had this conversation 8 years ago, in the intervening 8 years, China has completely modernized their fleet and they are operating, not just around their shores, but around the world now. Russia was actually considered an ally at that time. We were exercising with Russia, and now it is a much different picture.

The general mentioned North Korea and Iran. These competitors have also grown in these last intervening 8 years, and so the relative balance has shifted. So it is a combination of our internal effects, the stress of 10 years of combat operations, 15 years, contrasted against the funding instability and levels. But it is also our competitors that have been making significant gains during those 8 years.

The CHAIRMAN. General Goldfein.

General GOLDFEIN. Sir, that is really, you know, let me build on Admiral Richardson's comments because the reality is the world changed in 2014. If you go back to prior to 2014 and look at our posture and the collective assumptions we were making, both within Congress and the executive branch, we were out of Iraq, we were coming down in Afghanistan and in a single year the world changed for us. Russia went into Crimea and got active in Ukraine. China started militarizing islands in the South China Sea. We had ISIS and we went back into Iraq. And you may remember we had this thing called Ebola that happened during 2014.

And while we may now all look back on that as not that big a deal, as we were going through it, you might recall that we weren't sure whether we were facing the plague of the 21st century. All that happened in a single year.

So the world changed. And so the assumptions that we had made in terms of strategic trades that we make because for, as service chiefs, you know, what we do is we look at trying to balancing capability, capacity, and readiness. And we make strategic trades based on our assumptions of the global security environment. And so to your question of, what is different now? The world is different now.

The CHAIRMAN. Thank you.
Commandant.

General NELLER. Chairman, on 9/11 there were 172,500 Marines and we deployed at a rate of 3:1. We were home for 18 months and we were gone for 6 and the gear we had was the gear we had from the 1980s buildup; it was only 16, 15, 12 years old.

You go to Camp Lejeune or Camp Pendleton today, you drive around, that is the same stuff we are driving today. It has been modified, been re-engineered. It has been through the depot. Still flying the same F-18s; we got one squadron F-35s. We replaced CH-46s with MV-22s. We are flying the same 53s [CH-53s]. We are starting to get at replacing the Hueys and Cobras. The force now deploys at a rate of 2:1. I mean, we have to recapitalize this force.

We fought a fight against an insurgent and counterinsurgency stability op. And as my fellow chief said, the game has changed. We weren't talking about "four plus one"† even 5, 6 years ago. And all their stuff is new. And we need to have our stuff modernized. And we have to change our training. And we can do all that. We can do all that. And we are in the process of doing that.

But we need to have the stability of a known funding stream so that we can get the best price for modern gear, that we can plan our training, that we know we are going to go, and we know we are going to get a ride either on an airplane or a ship. And our allies know they are going to be able to show up and we are going to be there to train with them. And this potentially puts all that at risk.

The CHAIRMAN. Mr. Smith.

Mr. SMITH. Thank you, Mr. Chairman. I actually have no questions. I have had the opportunity to speak with these gentlemen on a number of occasions, so I will let Mrs. Davis take the first questions for our side.

The CHAIRMAN. Mrs. Davis.

Mrs. DAVIS. Thank you, Mr. Chairman.

And thank you all very much for your service and for being here today.

You know, you make a very good case, and I think we are all with you in understanding the difficulties, the challenges that you face. But I am also wondering, you know, here we are. It is April; we haven't passed last year's budget yet. In many ways, as you say, we are dealing with a continuing CR, which, in many ways, is almost the norm. And so, what is it that we should be looking at doing? Are there different metrics when it comes to readiness and setting priorities that suggest that we actually have to adapt to this kind of situation and still accomplish the mission?

What do you think needs to be done differently at all if this is the new normal?

General MILLEY. I don't accept that——

Mrs. DAVIS. I am not suggesting that I like the new norm.

General MILLEY. I don't accept it as a new normal, Congresswoman. I think, candidly, failure to pass a budget, in my view, as both an American citizen and the Chief of Staff of United States

† Reference to the primary security challenges for the United States being Russia, China, Iran, North Korea, plus terrorism.

Army, constitutes professional malpractice. I don't think we should accept it as the new normal.

I think we should pass it and pass the supplemental with it and get on with it. The world is a dangerous place and is becoming more dangerous by the day. Pass the budget.

Admiral RICHARDSON. Ma'am, here is what this new normal would mean. It would mean trying to run a mile race and giving the competition a lap head start. You have got to run very fast if you are going to win that race and we are just not fast. So, I mean, that is what you buy into if you accept this as a new normal. I couldn't agree with the chief more.

General GOLDFEIN. Ma'am, I will just use this as an opportunity just to remind us in terms of what I think you expect from us as Joint Chiefs. And that is, I think you need from us our best military advice on what we think we need to be able to perform the missions that we are being given. And until those missions change, what we will continue to tell you is what the force requires.

So the resistance you are getting from us relative to setting some kind of a new normal is that the missions haven't changed. And so what you won't hear from us is anything but here is what is required to do those missions which we have been given to defend this Nation and to do those missions as required both here in the homeland and abroad.

General NELLER. I think we have adapted, otherwise we wouldn't be able to do the things that we do every day. That doesn't mean we like it. I mean, we are not perfect, we make mistakes, but I think we are adaptable because of the men and women that serve in our services are really smart and they are mission oriented and they figure out a way to get it done and everybody is, you know, hedging or whatever they are doing, but the bill is in the back end.

And the people we are contesting right now, they don't have armored forces, they don't have electronic warfare, they don't have an Air Force, they don't have long-range artillery, they don't have the ability to jam space and deny our networks. That is who is out there potentially in the wings and that is what we are trying to get at.

And, you know, the force, we are a volunteer force. Or maybe more accurately, we are an all-recruited force, and it is expensive. And in order to continue to recruit, you have to have the capability that they think they can have the opportunity to be successful against these other threats. And we can assume that it may or may not happen; that is not my job. My job is to manage risk and provide best military advice.

So we need stability, we need to be able to plan, we need to know, whatever the number is, whatever the number is, and then we will go forward. But the force has to have confidence that they are going to have a continued resource stream for the capabilities they need to train and to be operational and for their families and for all those things you have to have with an All-Volunteer Force.

Mrs. DAVIS. Thank you.

Right now we actually have a hiring freeze, a Federal hiring freeze. And is that contributing to degraded readiness? And in what way?

General NELLER. I would say, I will just go up and go back the other way, but we have had pretty good luck because of the parameters and the guidance that was given as far as we could get a waiver for those jobs on the civilian side that were directly affected, affecting readiness, maintainers, people that are involved in certain things. It is not perfect and it has caused some problems, particularly in the non-appropriated side. And sadly, the people that were mostly hurt by that were a lot of family members who worked in those organizations where we couldn't get a waiver.

But we have worked through it, and we have got good reaction from Secretary Stackley and Secretary Mattis and the Department to fill those jobs. But it was just another thing because, as you know, ma'am, it takes time to fill those jobs, particularly if they involve a security clearance.

The CHAIRMAN. If the others of you have comments, if you would submit them in writing, too, we will try to keep as close as we can to the 5-minute rule because of the number of members.

Mr. Wilson.

Mr. WILSON. Thank you, Chairman Thornberry, for your coordinating this important hearing today on urgent issues to American families.

I appreciate each of you for your extraordinary dedicated service to our Nation.

I would prefer that we were under better circumstances, but unfortunately budget uncertainty is an issue that needs to be understood by the American people. Your clarity today is very much appreciated.

In South Carolina, I represent over 48,000 enlisted soldiers who annually graduate and are stationed at Fort Jackson along with the nearby base at Fort Gordon, and the nearby airmen at Shaw Air Force Base, the Marines of Parris Island, Beaufort Naval Hospital, Beaufort Marine Corps Air Station, and the Guard members at McEntire Joint Airbase. South Carolina knows and loves our military.

Your leadership provides young people opportunities for meaningful and fulfilling lives while protecting American families. Additionally, as a veteran, son of a veteran, I am grateful I have four sons that have served overseas in the military, along with a nephew in the Air Force who has served in Iraq.

It is for this reason that I am particularly concerned about the negative impacts a continuing resolution would have on military families, such as deferred reenlistment bonuses, delayed family moves from summer to the school year, reprogrammed military equipment upgrades with limited training.

How would each of you describe the real-life consequences to military families that a continuing resolution poses on our soldiers, sailors, airmen, and Marines? How would this affect service member morale, recruitment, and retention? And additionally, could each of you provide one specific impact that stands apart from the rest?

General Milley.

General MILLEY. Thanks, Congressman, appreciate the comment. And in South Carolina, as you mentioned, you got Fort Jackson. At Fort Jackson alone on an annual basis we train, we recruit, and

bring into basic combat training the equivalent of the British Army, every year.

Mr. WILSON. Wow.

General MILLEY. At Fort Bragg, North Carolina, or Fort Hood, Texas, if you combine both those bases, that is the equivalent of the Australian and Canadian armies put together. What will happen in your State, in South Carolina, and many other States that have basic training, Missouri and Georgia and elsewhere? That basic training is going to stop in July. We are going to run out of money next month. And then over the following 60 days we are going to not have the gasoline, the fuel, the ammunition, et cetera. And basic training is going to stop.

And what that will mean is we can't take those basic trainees that are already there and then onward deploy them or PCS [permanent change of station] them to operational units. And we will have to keep them right there at the fort. They won't be doing anything, they won't be training, they won't be doing anything of substantive value. And then we won't be able to recruit and bring in more trainees.

So if we don't get this budget passed, we don't get the supplemental passed, Fort Jackson, and many other forts, for all intents and purposes, will be coming to a screeching halt for all of the activities and training that goes on there. The impact on families will be significant.

We already cut back on several services throughout the Army. And we will continue to have to cut back on more services for families, family members. You are going to have to stop PCS moves; you are going to have to cancel bonuses. And bottom line is you are going to significantly and radically increase stress on the force that Admiral Richardson talked about. That is going to be throughout all the services. It will be very dramatic. It will be very significant, and it is something that should and must be avoided, in my view.

Mr. WILSON. Admiral.

Admiral RICHARDSON. Sir, before I begin I also have to thank you for hosting our nuclear power school down there in South Carolina as well.

Mr. WILSON. Well, that is a bit out of the region so I was just trying to include ones nearby.

Admiral RICHARDSON. Okay, all right. It is not too far.

Mr. WILSON. No. And see, I would have included Charleston Air Force Base too, but I was trying just to stay with the immediate region.

Admiral RICHARDSON. Roger, sir. Well, I only highlight that because that is some of these areas—

Mr. WILSON. We are proud, yes.

Admiral RICHARDSON [continuing]. Are where some of our most skilled operators, our nuclear trainers, our combat aviators, you know, those are the folks that will be, you know, they will be the first to leave. This is where we talk about competition. Competition is everywhere I look. Competition is certainly in the security environment around the world.

But I will tell you, I am competing every day for people. I am competing with the public sector, and the pool of qualified people

to do those skills is small to start with and gets smaller every time somebody gets hired by another place.

And when we talk about 1-month notice to move your family and children from Norfolk to Guam in the middle of the school year, that is a huge detractor. And that talent will leave, and I will lose that fight for people. And it will be the highest skilled, smartest, those folks will leave first.

Mr. WILSON. Thank you very much. And the rest, if you could respond in writing, thank you very much.

[The information referred to was not available at the time of printing.]

The CHAIRMAN. Mr. Langevin.

Mr. LANGEVIN. Thank you, Mr. Chairman.

And gentlemen, I want to thank you all for your testimony, but most especially for your service to the Nation. So like all of you, I am very concerned about the impact of a CR across the board, especially when it comes to something like cyber. So can you discuss the potential impacts upon cyber programs, particularly those that might be a new start this year, such as the persistent training environment [PTE]?

General Milley, I am going to start with you, as PTE is an Army program. But then I would ask the other services to add their thoughts.

Next, for all of our witnesses, also, I remain also concerned about recruiting and retaining highly trained cyber warriors, especially as U.S. Cyber Command [CYBERCOM] is provided personnel from each of the services rather than raising their own forces. So the critical role the CYBERCOM plays in defending national interests against cyberattacks and providing support to military operations is an imperative that we obviously cannot afford to lose.

And how will a CR and other budget gimmickry hamper your ability to recruit and retain the best of the best?

General MILLEY. Thanks, Congressman. As you rightly point out, cyber is a relatively new domain of war, as we refer to it, and it is critically important, and significant damage can be done to adversaries through the use of cyber. So it is really important that we as a military, and the Army is playing its role, develop both offensive and defensive cyber capabilities.

For the most part, for the Army operational units, they focus on protection of the networks and protection of the forces, the defensive cyber capabilities. The impact of the continuing resolution means that we are not going to be able to finish the facilities at Fort Gordon, which is the Cyber School Center of Excellence. It means that the National Guard is not going to be able to field their cyber protection teams, their defense teams for the National Guard. And we will not be able to continue the level of training that we need to do for the teams that are already formed in the Regular Army.

In addition to that, the CR will likely have a negative effect on the recruitment of the best talent that we can get out there to become cyber warriors. It is a new branch in the Army. Thus far we have had great success. We need to continue that momentum. A continuing resolution or return to BCA funding is going to stop that momentum right in its tracks.

Mr. LANGEVIN. Thank you, General.
Admiral.

Admiral RICHARDSON. Sir, I will just again pile on. We have been organizing for cyber for some time now. And that organization includes people, the talented people that General Milley referred to. And so we have a requirement for 40 cyber mission teams that constitute a cyber mission force throughout the joint force. And then there is the engineering. We need to do the work to engineer our systems to make them more resilient against a cyberattack.

Our latest development in that is to stand up the Digital Warfare Office this year on my staff that will work with the fleets to enhance our agility in the information domain across the board. And it is a very comprehensive program; I would love to come and talk to you about it in more detail. But that will stop without this funding.

And also, many of those upgrades, those modernizations that I talked about are to enhance our resilience against cyberattack, which, you know, as the chief said, the critical vulnerabilities. The first shots in the next war, in fact the war that is going on right now, is in the cyber domain. The war is on there. We need to keep that funding in place.

Mr. LANGEVIN. Thank you, Admiral.
General.

General GOLDFEIN. Sir, I will just offer you some thoughts on what this is doing to Admiral Rogers as the combatant commander who has been entrusted with the mission of defending the Nation in cyber, defending the defense networks, and ensuring that we have the talent to be able to do his mission.

All of us contribute to those cyber mission teams. And while we can't go into operational details, this extended CR will have an impact on all of our ability to be able to put those teams in place and allow him to accomplish the mission that he has been given at the very national level.

General NELLER. Sir, I was up at Fort Meade talking to Marines at MARFORCYBER [Marine Forces Cyberspace Command]. And a sergeant stuck his hand up and goes, "Hey, Commandant, how are you going to afford to keep me?" I said I don't know if I can afford to keep you. What is it going to cost me?

I don't know if there is enough money out there. We got people up there getting offered six figures-plus to leave and go work in the civilian side. So we have already made the—we close down, we are going to have to treat cyber like special operations; once you are in, you are in, because the investment is too high to get them trained, they got to stay. But then I got to figure out how to pay them or get a contract out of them long enough to get a return.

Obviously, if we are at a CR level, any money for bonuses or anything like that, there is a tradeoff for something else. I mean, you will find the money, but what are you going to take it away from? There are no good choices.

Mr. LANGEVIN. Thank you all.

The CHAIRMAN. Mr. LoBiondo.

Mr. LOBIONDO. Thank you, Mr. Chairman.

Thank you all for being here, and thank you for your very candid and sobering explanation of what we are facing. Been on this com-

mittee for a while, and I can remember in years past when witnesses came in and just danced around the edges about what the consequences would be if we didn't do our responsibility the right way. And unfortunately we are seeing the results of it now. But understanding in clear and uncertain [sic] terms of what it means to each of the branches and to the country overall I think is the sobering information we need.

With that in mind, I want to talk about the potential strains on the military and tie in with what you have been saying to highlight what I think our most important resource, our men and women. So we need the weapon systems. We need the modernization. But without the men and women, as you have been saying, we have got a real problem.

Specifically the 177th Fighter Wing in my district experienced a CONUS COLA [cost of living allowance] drop of 7 percent in 2017, compared to 2016. It was cutting paychecks this year. While the fiscal year 2017 supplemental funds a 2.1 percent pay raise for troops, as authorized in the 2017 NDAA [National Defense Authorization Act], and by law DOD [Department of Defense] must provide this pay raise, unless the supplemental is passed, DOD will likely have to realign funds from military personnel accounts.

So, first for General Goldfein, what is the effect on service members' pay if a fiscal year 2017 supplemental is not passed? Exacerbating the strains they have already experienced with such CONUS COLA cuts, how could this affect service members' morale, recruitment, and retention? I know it is not good, but I would like to hear it in your words. And what other personnel issues concern you if we are stuck in a yearlong CR?

General GOLDFEIN. No, thanks, sir. You know, I will piggyback on what General Neller said. You know, when it comes to meeting our obligations to our airmen when it comes to pay, we are going to meet those obligations. The issue is we are going to have to go somewhere in that military personnel account to find that money. So it is the tradeoffs that will be the issue.

For example, under a continuing resolution, we have talked about PCS moves, right? Moves, change of station. For the Air Force, for 5 months of a CR, there will be 13,000 families that now will have to be delayed in their moves. Of those families that now have children in school, think of all of the issues that will go on now to have to delay all of those moves into the fall cycle after they have started school. That puts a stress on our families that actually can't be quantified.

When it comes to the last part of your question, which is one of my biggest concerns relative to a long CR, quite frankly, it is breaking faith with our airmen and their families. They have been at this for 26 years now. They will stay with us if they believe they can count on us to ensure that we take care of them and their families as they deploy. They will stay with us if they believe they are given the resources to be the very best they can be.

And so I go back to my point. Pilots who don't fly, maintainers who don't maintain, air traffic controllers who don't control will not stay with us. So that is why you are hearing all of us talk about readiness as our top priority. And being able to fund them to be

able to get them in the air is a key priority for the United States Air Force.

Mr. LOBIONDO. We only have little more than a minute, but General Milley, you want to comment on that as well?

General MILLEY. Thanks, Congressman. Just very briefly, I concur and endorse everything that General Goldfein said. By law, we are supposed to do a 2.4 percent pay raise, you know, ECI [employment cost index] is how they calculate it, to keep pace with inflation, 2.1 percent is built into it. If we go to a CR or go to BCA funding, that is going to kill any pay raise.

Right now, our soldiers, sailors, airmen, and Marines, we are reasonably well-paid by global standards. But I want you to consider something, that in World War II only 10 percent of the United States military was married; today 60 percent of us are married and on average there are two children. So you are talking about families of four here. If you are a specialist or corporal with a family of four earns just slightly above the poverty level. There are thousands of soldiers, sailors, airmen, and Marines today that still use food stamps. That should really get people's attention. And if we don't pass the budget with the supplemental, it is going to hurt their pay, it is going to hurt other forms of benefits, it is going to hurt services, and it is going to crush morale, it will be very devastating to morale.

So, again, I can't highlight enough yellow ink here to get the budget and the supplemental passed, because to do otherwise is going to have significant negative impact.

Mr. LOBIONDO. Thank you, I yield back.

The CHAIRMAN. Mr. Courtney.

Mr. COURTNEY. Thank you, Mr. Chairman. And thank you to all witnesses for your testimony.

We have 5 legislative days, not counting today, to get this done, so obviously the urgency of your message is, you know, very important and, again, we appreciate it.

Admiral Richardson, I wanted to just drill down a little bit on the maintenance availabilities impact of a CR. But before I do, I would just like to clarify a point that was raised yesterday when General Hyten of Strategic Command testified over in the Senate regarding the knife-edge timeline the Navy faces to sustain the SSBN [ballistic missile submarine] fleet. As he correctly stated, *Ohio* SSBNs will be coming offline starting in 2027 at a rate of one per year, which you have testified about many times.

In order to avoid dipping below 10 SSBNs while the new *Columbia* class comes into service, last December CR we included a year-long \$773 million anomaly to keep *Columbia* moving forward with detail design and production this year. Just again, for clarification's sake, is that \$773 million plus-up that we, again, made as a year-long anomaly adequate to keep *Columbia* on track this year?

Admiral RICHARDSON. Sir, I appreciate you highlighting the forced march that we are on to get that submarine on patrol in 2031. And this is a program [that has] zero margin and so we need every dollar of that for the year to keep that on track. There is good news there. The team up at Electric Boat has regained track, so our designs are on pace, and I will tell you there is no margin in that. And even the fact you highlighted going down to 10, that

requires pretty much error-free operation to maintain the requirements at that.

Mr. COURTNEY. Right. So that will be adequate for this year, but stable, continuous funding to keep that on track. Great, thank you, appreciate that.

Admiral Malloy, when he was over here earlier this year, stated that a yearlong CR would drive the Navy to cancel some 14 or more ship availabilities. You know, you are dealing with a phenomenon over the last couple years of carrier gaps. Obviously that would kind of spread into other areas of the fleet in terms of performance gaps. And I was wondering if you could just kind of highlight that little critical point.

Admiral RICHARDSON. Yes, sir. I mean, certainly we don't just fix the ships just to fix them. We maintain and upgrade those ships so they can go forward and do the Nation's business, but we need to send them forward fully ready, maintained, ready to go, just like your car would be. You just wouldn't drive your car without doing the maintenance on it, without giving it the gas. And so this will translate downstream, the maintenance thing writ large.

You know, when you can't fly an air wing because the aircraft aren't maintained, that just will result in, you know, we are not going to send them forward untrained. We are not going to send them forward unable to defend themselves because of poor maintenance. And so this will result in a smaller Navy around the world, longer tethers, less presence, gaps, if you will.

And so, you know, it is a domino effect as well when those maintenance availabilities get canceled. Well, all of our, particularly the private shipyards, have to adapt to that as well. So their workforce is going to have to be cut and those people necessarily do not come back. They will find new jobs. And so you can see this downward spiral that results.

Mr. COURTNEY. And just to follow up the chairman's question about what is different this time, again Admiral Malloy seemed to suggest that, you know, this is going to happen pretty much immediately if the CR is the final outcome.

Admiral RICHARDSON. Sir, our fleet commanders and maintainers are hanging out with their fingernails right now. They wanted to take action before because they are at risk. Right? There are laws in place here in terms of spending more money than you have. And if we don't pass this, it will be abrupt. They have extended this as long as they can.

Mr. COURTNEY. Thank you. I yield back, Mr. Chairman.

The CHAIRMAN. Mr. Turner.

Mr. TURNER. Thank you, Mr. Chairman.

General Milley, thank you for your incredible answer to Susan Davis concerning the prospects of continuing CRs. Your statement that it is malpractice and unprofessional is incredibly important, and everyone in Congress needs to hear it. We know certainly that members of this committee not only understand it, but are the advocates to the rest of Congress to try to ensure that it doesn't happen.

When the last CR came forward, many of you are aware that members of this committee refused to vote for the CR unless we received a promise from the Speaker that DOD approps [appropria-

tions] would move from the House. It did. There is no reason, as we look forward to the prospects of a CR, that DOD funding should be an exception. There is no reason it should not be an exception because we have already passed the DOD approps, we have already passed the NDAA. They should absolutely just be stapled to whatever is moving forward for funding and we certainly are to be advocating that it does.

But I want to drill down for a minute on what the effects of sequestration and a possible CR, General Milley, would be, specifically on the Army. Last year, Chris Gibson and I introduced the POSTURE [Protecting Our Security Through Utilizing Right-Sized End-Strength] Act. The bill recognized the importance of ground forces in current and future conflicts and, most importantly, implemented a strategic pause in the Obama administration's proposed reductions to land force end strength level, given future and current threats. It began the process of reversing the harmful effects of downsizing our land forces as a result of the Budget Control Act.

Under Chairman Thornberry's leadership, we successfully incorporated these end strength increases as part of the NDAA for fiscal year 2017. The NDAA provided full funding for manning, training, and equipping for these increases. These end strength authorizations associated with the fiscal year 2017 NDAA will allow the Army to begin the process of mitigating some of the strategic risks imposed by the Budget Control Act.

However, we recently heard testimony from the Vice Chief of Staff of the Army, and he stated that at today's end strength, the Army risks consuming readiness as fast as we build it. This leads me to believe that we need to continue to look at ways to reasonably continue to grow the Army to minimize the risks associated with the current and future operational demands. So, a few questions in that regard.

First, we now know that the President has proposed a spending level of \$603 [billion] for fiscal year 2018. As you know, our chairman has proposed \$640 [billion]. Could you please tell me what the effects of a \$603 [billion] funding level in the aggregate would be on rebuilding our military? And what is the impact on Army end strength under a yearlong CR? As we have continued to try to rebuild, what would the effect of the CR be? So those two questions.

General MILLEY. There will be lots of impacts. Probably the most significant, we have been authorized to move out for the Regular Army to reverse the downward trend in end strength and to move out to 476 [thousand] by 1 October of this year. For the National Guard, we want to stabilize that force and bring them to 343,000 by 1 October. And for the U.S. Army Reserve, we would like to bring them back to about 197,000 by 1 October.

A yearlong CR will stop all of that, it will stop the recruiting. As I mentioned earlier, it will stop the basic training and we will essentially resume a downward trend. What does that mean? Operationally, it means that units are going to go to the field at less than optimal strength for training. We already have units in the field for training in the 60 to 70 percentile versus what is required of 90 to 95 percent present for training. That is a significant degradation in capability over time.

We are going to end up having to, if it is a yearlong CR, we will end up having to cancel the National Training Center rotations out in California and we will end up canceling JRTC rotations. We will also end up canceling significant collective training for home-station training for all of the Active units.

And for the Guard, they are going to have to cancel four of their, what we call, XCTC [eXportable Combat Training Capability], or significant training events. So training across the board, beginning shortly after we run out of money in May, looking at June or July, training will be reduced to individual squad training.

Individuals and squads an Army does not make. You have to train at the company, the battalion, the brigade, and higher levels in order to have an effective force for full-spectrum warfare against the type of enemies that are possible out there. So it will be very significant across the board, Congressman.

Mr. TURNER. Thank you, Mr. Chairman.

The CHAIRMAN. Mr. Garamendi.

Mr. GARAMENDI. Gentlemen, thank you for your impassioned plea for money. We know where it is coming from, it is coming from all the other things the American public would like us to do and, frankly, we need to do.

Our ranking member spoke to the 30 percent decrease in the State Department and what that means. The \$5 billion decrease in the National Institute of Health research programs for everything from cancer to Alzheimer's and the like. So we are going to make some choices here.

You have been told to develop a war plan for ISIS, where is that plan?

General Milley, where is the war plan for ISIS? You were supposed to have it done in 30 days.

General MILLEY. Yeah, Congressman, appreciate that. I am not going to discuss classified operational matters, but I will be happy to do that—

Mr. GARAMENDI. But just tell me generally, where is the plan? Not what it is, where it is?

General MILLEY. It has been submitted, and it has been looked at and reviewed, and it has been submitted.

Mr. GARAMENDI. By this committee?

General MILLEY. I don't know that we submit it to this committee.

Mr. GARAMENDI. No, I don't believe you have.

General MILLEY. We submit it to the chain of command through the Chairman, through the Secretary of Defense.

Mr. GARAMENDI. You got \$5 billion dollars, in your supplemental you have \$5 billion for a war plan that has never been submitted to us. You expect us to approve something that you have not submitted to us?

General MILLEY. Congressman, I am not going to get into a discussion of classified operational plan.

Mr. GARAMENDI. No, my question was very direct, sir.

General MILLEY. I am sorry?

Mr. GARAMENDI. Do you expect us to give you \$5 billion on a war plan that you have not submitted to us?

General MILLEY. I would ask that you refer that to the Secretary of Defense or the President. We work through the chain of command on war plans.

Mr. GARAMENDI. That is not an answer to my question, but I guess the answer is that you would expect us to approve a plan that has not been submitted. Where the money would be spent, how it would be spent, where it would be spent. Okay, fair enough. That is \$5 billion of the \$30 billion supplemental.

You said in this testimony that pay will be reduced unless you have the supplemental. But yet in the base bill there is a 2.1 percent pay increase. How does that work?

General Goldfein, apparently you would like to answer.

General GOLDFEIN. Yes, sir. And what we said was that we will find the money within our budget to pay that 2 percent pay raise. The issue is we will have to make choices and trades within the military personnel account to do that. So we will—

Mr. GARAMENDI. And I think the budget, if I might, sir, the budget that we put out, the 2017 appropriation had 2.1 percent built into it for the forces that presumably you have, all of you have. Are you suggesting that that is not the way we—

General NELLER. No, sir. We are not suggesting that at all. The appropriations that came from this body had a growth, for example, of 3,000 Marines in a 2.1 percent pay. What we were brought here today to talk about would be the impact if we had the continuing resolution went through the whole year.

Mr. GARAMENDI. And you have spent a good deal of your time talking about the supplemental. All four of you did.

General NELLER. No, I believe we have spent most of our time talking about the effect of the CR, but I take your point, sir.

Mr. GARAMENDI. Then we are debating the word “good deal of your time.” Let us not get into too much detail about how much time you spent on the supplemental, but each one of you advocated for the supplemental. And we, at least I, have never seen how you would want that supplemental to be spent in certain key areas. That is not to say it may not be necessary, but we are going to have to make some tough choices. And we are going to need some detail in order to make those choices.

General Goldfein, you and I have spent a lot of time talking about, do we really need to replace all of our ground-based strategic missiles in the near term? You know, that is about \$50 billion. Do we need to do it right now? Or we are saying can that be delayed and we can do some of these other things that you would like to have us do?

General GOLDFEIN. Sir, I would submit to you that all three legs of the triad, the missile leg, the bomber leg, and the submarine leg, the three legs of the triad, were all built to build into a specific attribute we were looking for. The missile leg gives us the most responsive leg of the triad. The bomber leg gives us the most flexible leg. And the submarine is the most survivable leg of the triad. And my best military advice to you, sir, is that we need all three of those legs to be able to do the mission that we have been asked to.

Mr. GARAMENDI. I have got 10 seconds. I am not debating whether we need it or not, my question is, when do we need it? We have to make some tough choices.

General GOLDFEIN. Absolutely.

Mr. GARAMENDI. And in making those tough choices, some things may get delayed. We have got to figure out what needs to be delayed.

With that, I am out of time. Mr. Chairman, I yield back.

The CHAIRMAN. Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

Let me just try to clarify one thing here. I don't think there is anything in any legislation where a plan has to be devised and given to this committee. I think your responsibility is to the Secretary of Defense, his responsibility is to the President. And at some point we are interested in what that plan is, but I don't think that is written in stone that we have to be given that plan at point X.

General MILLEY. That is correct. We normally do not submit an operation plan for full review to the United States Congress.

Mr. LAMBORN. Okay, well, thank you for that clarification.

General Milley I do want to ask you about a readiness and modernization issue. Currently, Fort Carson, which is in my district, has a brigade combat team [BCT] deployed to Europe in support of our allies to deter Russian aggression. To get the BCT ready to deploy, they obviously require reliable, modern equipment and training.

So my two-part question is, if we had a CR, will the next brigade combat team out of Fort Carson be able to deploy with reliable equipment and necessary training? And secondly, would the next Stryker brigade out of Fort Carson be able to go to the National Training Center to get critical training before deploying?

General MILLEY. Congressman, the Stryker brigade you are referring to, that is one of the rotations that would be canceled, so if there is a yearlong CR that unit rotation would likely be canceled. For the deployment to Europe, we plan on fully funding and resourcing units that are deploying into Iraq, Afghanistan, and other areas of combat.

However, the unit that goes to Europe, for example, on a rotational basis that you are referring to, they would not get their full suite of home-station training prior to deploying because of the personnel strength issue that was previously discussed, the end strength issue. They would likely not deploy at full operational readiness standards that we would like them to deploy at. So there would be a negative impact on that particular brigade deploying.

Mr. LAMBORN. Thank you. That is very sobering and, to me, has national implications and certainly has community implications back in Colorado Springs.

General Goldfein, I would like to ask you a question about space. In your written statement, you say that the JICSpOC [Joint Interagency Combined Space Operations Center], recently renamed the National Space Defense Center, will face critical acquisition delays. You also mentioned delays in the new GPS ground infrastructure and GPS III. So my question is this: With so many military and civilian systems relying on assured access to space, and even just

GPS is critical for navigation, for financial transactions, 2 billion out of our 7 billion people use GPS every day one way or another on the surface of the earth; what does this mean for security in space and access to our space-based resources?

General GOLDFEIN. Yes, sir. You know, we have been the stewards of space since 1954 and we continue to take that priority seriously. As we look at the GPS constellation, moving forward with GPS III, with the ground-based stations and with all of the integration that needs to occur is a priority. And so we are managing that very closely.

The part that we actually haven't discussed here, I think General Milley may have referred to it earlier, and that is the impact on the industrial base if we don't have a resolution. This is an incredibly sophisticated workforce that you keep on the books if you are industry to be able to do the business of space.

And so as we jockey the throttle between a CR, a budget, no budget, an annual appropriation or not, these industries that we rely on to be able to bring that kind of sophisticated workforce have got to figure out what they do with them when we tell them, well, we are not going to be able to use the workforce for next year, but we are hoping we can do the year after that. So it has incredible impact on the industrial base for CEOs [chief executive officers] out there who are trying to manage their businesses. And I will tell you, as the service that is working the preponderance of space, that is a significant impact.

Mr. LAMBORN. Okay. I want to thank you all for your service. And, Mr. Chairman, I yield back.

The CHAIRMAN. Ms. Hanabusa.

Ms. HANABUSA. Thank you, Mr. Chairman.

And thank you, gentlemen, for being here. Thank you for your service. A special shout out, of course, to Admiral Richardson for the time you spent in Pearl and on the USS *Honolulu*. Thank you very much.

I represent the congressional district that is home to PACOM [U.S. Pacific Command]. And we all know PACOM is the largest AOR [area of responsibility] among all of you, you all know that. And, of course, the concerns, like this morning with North Korea, in protest maybe of what is going on in Mar-a-Lago, they shot off missiles. And we also saw this morning's news as to what is going on in Syria.

Having said all of that, we understand and I, in particular, are very empathetic to the fact that you are on a CR, but the fact remains. I think, Admiral Richardson, you in particular pointed out in your written statement that we are 6 months into the CR, and irrespective of what happens between now and 5 days from now, chances are it may not be anything that you want to see.

The House, I think, has done, as the chairman says, its job. It has sent over basically the defense budget or defense approps. But having done that, we are in a situation where you will be potentially faced with it and historically you have been faced with it.

And, General, I agree with you, it may border on malpractice if it were in a civilian situation. But the fact remains that is what happens.

Yesterday where Admiral Richardson sits, we had Under Secretary Flournoy. And former Under Secretary made a statement that one of the things that she thought was necessary was a flexibility in your individual abilities or defense's abilities to move funds.

So my question to each and every one of you is, we can all agree we don't like it, we don't like the situation you are in, but the fact is you are in that situation. I would like to understand what you all do to make things work. I mean, I am envisioning someone in the back room with a little pencil saying it is another month, Admiral, or another month, General, so we are going to have to move money here and there if we are going to do X. I assume you have the ability to do that. And if you don't have the ability to do that, I would like to know what will make it better so that you compensate for that.

And like I said, we all can see CR is not good, but we are 6 months into it. And even if you were to get what you want, you still have 6 months that you had to have done something and made it work. So with that, whoever wants to take a stab.

Admiral RICHARDSON. Ma'am, I will lead off. The first part of the deal was that everything that we have requested, particularly in the supplemental, would be executable in the remaining time. So, you know, the 6-month period of time is that.

And, as I mentioned earlier, we—we have been doing all of that adjustments that revisit and re-revisit to a tremendous waste of time and energy by our leadership as we navigate through the shoal waters of just continuing budget unpredictability, instability, and insufficient levels. But for this year, we are out of creative space.

Our fleet commanders, Admiral Swift out there in Pearl Harbor as well who runs the fleet for Admiral Harris at PACOM, he and his colleague, Admiral Davidson in Norfolk, they are out of options. They have stretched it to the breaking point on the faith that we will be able to do something to be able to fund the rest of the year.

And so I share that faith that they have. This is not a fait accompli, we can do the right thing, get your military out so we can defend the Nation, can provide the flexibility and protection for all the other things to happen. I am just not ready to concede that this is the new normal.

General GOLDFEIN. Ma'am, if I could add that so here is the sandbox for a service chief: capability, capacity, readiness and we make strategic trades. And so I mentioned earlier that part of 2014, the world was different. And so as we were making trades, I can tell you in the Air Force we actually traded capacity and readiness to get capability, to modernize for the future. Then the world changed. And so we have to relook at that balance and make different kinds of trades.

When we are then limited or restricted congressionally or legislatively to be able to work within that box to be able to make those trades, it makes our job even harder because what we owe you is the best Air Force, Navy, Army, Marine Corps that we can give you for the money that we are given. And so that is what happens.

I will give you one quick example. So we got additional acquisition authorities, we have used those acquisition authorities to be

able to look at a weapon system that we can procure at a faster rate. We get in a CR, anything that falls in the new start category we are going to be stopped. So modernization is future readiness, and so that is one example of when we get legislative restrictions of our ability to move within that sandbox, it is hurtful.

Ms. HANABUSA. Mr. Chair, I am out of time. Could we ask that it be submitted for the record? Thank you.

The CHAIRMAN. If the other witnesses have other comments, absolutely.

Mr. Wittman.

Mr. WITTMAN. Thank you, Mr. Chairman.

Gentlemen, thanks so much for joining us, thanks for your leadership.

I think it is unfortunate we find ourselves in a situation where we hear this familiar refrain and that is the uncertainty of resources coming forward. And what you all have done to accommodate that leaves you at a place where you have no flexibility to do the job that we ask you to do. Whether it is the OPLANS [operation plans], whether it is the national defense strategy, we are now stretched to the limit. We are there at this point, I think, that begs the question, what is the collective impact of this line of CRs or the sequester? I talked earlier about time is now one of our adversaries because we lose time with these things. When we have a CR and the things that we can't do and we redirect dollars, as you should, to training, to developing readiness, but that takes away money from programs where we are trying to modernize, we are trying to keep up with our adversaries. And then there are additional costs. So when you try to catch up later, you never catch up timewise and it is more expensive to do that later.

Admiral Richardson, give me your perspective on the impacts of this roller-coaster ride of uncertainty and where it leaves you, whether it is postponed ship availabilities, whether it is lack of training for pilots, where does that leave you? And what is the overall long-term impact both of time that we lose and of additional costs to regenerate that in the future?

Admiral RICHARDSON. Sir, if I could, how about if I phrase my answer in the positive and talk about what could be done if we pass this budget with its supplemental. I will run down as quickly as I can a fairly extensive list.

First, we will keep the USS *Ponce* forward deployed, on station in the Middle East. We will retain five cruisers deployable, we will buy repair parts, ship spares, consumables, we will fill those coffers. We will fund the 14 availabilities for submarines and surface ships that were talked about earlier. We will fund 14,000 flying hours for tactical squadrons and we will fund 27,000 flying hours for student pilots. Our aviation spares, which have been a big contributor to the reduced readiness of aviation, will be funded.

We will upgrade our afloat and ashore networks to improve their cybersecurity. We will add 15,000 moves and increase the lead time for those moves to 2 months or more, from 2 months to 4 months. We will do material improvements to six airfields, five piers, three hangars, a communications center, and other facilities. We will do security improvements, physical security improvements to our

bases. We will buy more Tomahawk missiles, more rolling airframe missiles, more ship-to-shore connectors.

We will complete the—the fiscal year 2016 DDG [guided-missile destroyer]. We will keep on track the aircraft carriers CVN-80. We will keep on track two aircraft carrier overhauls. We will keep on track LHA-8 [amphibious assault ship], the TAO(X) [new replenishment oiler] program. We will complete a destroyer, four LCSs [littoral combat ships], LPD [amphibious transport dock] and other expeditionary ships. The list goes on and on. This is what we can do if we pass that budget with its supplemental.

What a list that is. And this is just the Navy. The joint force, each of my comrades here, my colleagues, has a list just like that. And so you flip the coin on its other side and all of those things will not get done. And that divot will be felt for decades in the United States Navy.

Mr. WITTMAN. Very good.

General MILLEY. Let me make a brief comment.

Mr. WITTMAN. General Milley, yes.

General MILLEY. You know, for two-and-a-half centuries, our country has got a long, cyclic history of unreadiness for the next conflict. When they fired the first shot at Lexington, they had no idea they were entering into an 8- or 9-year war with the greatest power of the day. We weren't ready for the Civil War. Lincoln thought he was going into a 90-day conflict to put down a local rebellion.

And we sent guys off with wool uniforms to Cuba or into the tropics. World War I, which we are in the 100th anniversary of World War I right now, that army was fighting a Pancho Villa on the Mexican border 2 years after the war started. And we entered into it in 1917, Pershing takes those soldiers over there, they are in a state of unreadiness when they get there. And he has to train them for 6 or 8 months in France before he commits them to the ground combat. World War II, it is well known, right after Pearl Harbor, 1942. Go look at the history of 1942.

Mr. WITTMAN. Yes.

General MILLEY. Look at Guadalcanal, Tarawa, look at the naval battles in the South Pacific. My father fought in the central Pacific, 1942 was a disaster for the United States military in the Pacific. And it was a disaster in North Africa at Kasserine Pass. Look at June 1950, Korea, yet again where we were completely in a state of unreadiness, where Task Force Smith deploys with two squads out of a platoon, two platoons out of a company. Maintenance and equipment that didn't work, soldiers that weren't adequately trained.

The ultimate impact of all of this stuff is cumulative and it results in failed battles, lost battles, and dead soldiers, sailors, airmen, and Marines on the battlefield. That is what this ultimately results in.

Mr. WITTMAN. Very good. Thank you, General.

Mr. Chairman, I yield back.

The CHAIRMAN. Mr. Brown.

Mr. BROWN. Thank you, Mr. Chairman.

I want to thank General Goldfein for bringing attention to the downed F-16 at Joint Base Andrews; it is in my district. Glad to

hear that no life-threatening injuries to the pilot, no reported injuries on the ground. Obviously it is early. Investigation will reveal the cause. But I am confident that with greater resources we do reduce the number of aircraft incidents that are related to either human error, training, or maintenance.

So this is yet just another example of the need to continue to invest in readiness, modernization, and in the men and women to do the difficult work that we ask them to do.

Look, I was on the USS *Nimitz* last weekend and I looked at those sailors, average age is 23, we ask them to do things that few Americans want to do today. It is dangerous, it is important, they are excited about it. A big majority of those sailors, first deployment and the first time that they were working with one another, but they are confident that they are going to be able to do the job that we ask them to do.

And I said to them and I wanted to reassure them that Congress recognizes that we are a great nation because of the work that they do. We are the most prosperous nation in the world, not just economically, culturally, our democracy, our religious tolerance, because of the work that men and women in uniform do. So we owe it to them to invest in the work that they do, but we also owe it to the country to ensure that we continue to be prosperous by investing in good schools, safe neighborhoods, a clean environment, and health care and there was no debate on that. And Admiral Byrne, who is doing a great job on the USS *Nimitz* and that strike group, he gets that as well.

So you are doing a great job, I appreciate what you are doing. Here is my question and it has to do with BRAC [base realignment and closure]. Because as we are looking, you know, for all different ways to resource what we need to do, to find the resources, the assets, the equity, the funding, here is my question. The acting Assistant Secretary of Defense for Energy, Installations, and Environment testified about a few years ago that a future base realignment and closure round will cost about \$6 billion to implement and result in \$6 billion in initial savings and then \$2 billion per year.

The Army and the Air Force in particular have been arguing that maintaining excess basing capacity diverts scarce resources from maintaining readiness and mission capability to maintain an unneeded infrastructure. If a new round were to be authorized, how would you reduce excess infrastructure and balance of force? And given the potentially significant upfront cost to implement a BRAC round, what other ways, if any, exists that would permit you to dispose of excess capacity at a potentially lower cost?

General MILLEY. For the Army, we do have excess capacity to the tune of about half a billion to a billion dollars that we would gladly try to shed if we could. And at the same time, we have failed and failing infrastructure out there, about 22 percent, 33,000 facilities across the entire Army throughout the world that are in really bad shape that need work.

A continuing resolution or a return to BCA funding is going to stop the progress we are trying to make against that 22 percent of our facilities that are in bad shape. And obviously, it is going to prevent any sort of BRAC, which we would encourage, so we can

get rid of the half a billion to about a billion dollars worth of unneeded infrastructure that we have.

General GOLDFEIN. Sir, I will just add that, you know, when we talk BRAC we tend to focus on the C and we don't spend enough on the R, the C being closure, the R being realignment. And quite frankly, for the Air Force, it is as important for us to have the flexibility to realign as it is to talk about closure. And quite frankly, to General Milley's point, you know, when I look through this lens, I look more at the infrastructure I have right now and ensuring that we have a budget that allows us the MILCON [military construction] dollars to be able to improve what we need, not only to bring on new mission, but to fix dorms, you know, that are World War II era, to get the facilities that we need, to be able to demolish those things that we don't need and bring our footprint in, so we are not having to spend these precious dollars on keeping large installations not only open, but keeping all of those buildings continually be run, right, when I don't actually need them given the size of the force.

So for us, you know, this starts with why we are here, which is to talk about, first and foremost, getting a budget so we can get into our military construction projects and our modernization that we need and our restoration that we need. That, to me, is far more important than a discussion about a future BRAC.

The CHAIRMAN. Mr. Scott.

Mr. SCOTT. Thank you, Mr. Chairman.

General Goldfein, good to see you again.

Most Americans would be surprised to learn that the average age of an aircraft in the Air Force today is 27 years old and that some fleets like the JSTARS [Joint Surveillance Target Attack Radar System] are nearly 50 years old. How would a yearlong continuing resolution affect the Air Force's ability to recapitalize these 50-year-old JSTARS aircraft?

General GOLDFEIN. Hey, sir, thank you. And, you know, you are right. About 48 years average that these JSTARS aircraft are being used. And as the air component commander deployed forward, working in CENTCOM [U.S. Central Command], you know, we often talk about what we do with these aircraft relative to the ground fight. But I will tell you, they are as equally important to the maritime domain and what we do for Admiral Richardson and his forces as well. So these are critical aircraft.

Right now, a 5-month continuing resolution would delay the contract vehicle that we are working on, the risk reduction on the radar to be able to move that forward. And it is not a linear. We don't just pick it up again because, again, back to industry, if we go back to industry, they are going to have to manage that workforce and that workforce may walk. And so when we pick it up again, there is no telling what the long-term impact of delaying our ability to recapitalize that critical weapons system.

Mr. SCOTT. General, I am also concerned about the loss of the weapons system when they go in for, I mean, they are going to be overdue for major depot overhauls and then they are not going to be in the air flying. And it certainly seems to me better to put that money into new aircraft with new technology than to rebuild 50-year-old planes.

General GOLDFEIN. Sir, that is what we are trying to do. And you made a point about the maintenance. The civilian workforce——

Mr. SCOTT. Yes, sir.

General GOLDFEIN [continuing]. Who are the ones that are at our depots who keep these much older aircraft flying are the ones that are impacted the most personnel-wise from a CR. And so you lose literally hundreds of man-hours of being about to get the depot maintenance on these older aircraft to keep them airborne.

Mr. SCOTT. Yes, sir. And I hope that you all maintain that position that you do not want a CR.

General Milley, congratulations on the pistol, long overdue. That is the first time I have seen you laugh.

You state in your testimony that over 80 percent of the U.S. military forces in Iraq, Syria, and Afghanistan are U.S. Army soldiers. Building on what General Goldfein has stated today about the impact of the continuing resolution on the Air Force, how would the constraint on heavy lift and combat support aircraft impact your piece of the fight against ISIS?

General MILLEY. Well, frankly, the Army is dependent and we are all dependent on each other, as General Neller said earlier. With respect to heavy lift, I mean, the Army can't get to the fight without the Navy or the Air Force. Just can't get there. Our people and equipment doesn't arrive at the point of decision without the transport capabilities of the Navy and the Air Force. So it will be significant if the Air Force doesn't have that kind of capability. So we are a big advocate. We in the Army are a huge advocate for the Navy, the Air Force, and the Marines who are on the ground with us. It is a joint fight.

And I as a soldier, I want the most unbelievable Air Force the world has ever known because a soldier's best friend is when a fixed-wing Air Force pilot is showing up in his aircraft when we are in contact. And that is the first call we all make is to the United States Air Force or Navy or Marines, whatever aircraft is flying around there, or an Army attack helicopter, to come to us to make sure it is an uneven fight on the ground. So I want the best Navy, the best Air Force, the best Marine Corps as the Chief of Staff of the Army. It is a single joint fight.

Mr. SCOTT. Could you reiterate the impact, if we don't get the \$5 billion for the urgent operational requirements for Iraq, Syria, and Afghanistan to counter ISIS and the additional intelligence, surveillance, and reconnaissance, could you reiterate your points on the consequences to our deployed forces in those areas and our operational mission if the supplemental is not passed?

General MILLEY. Candidly, Congressman, I would like to do that, but I would like to do that in a classified session to talk about specific operational impacts. What I would say just here is it would be negative.

Mr. SCOTT. Yes, sir.

General MILLEY. And it would be unhelpful to the ongoing efforts.

Mr. SCOTT. Gentlemen, I want to thank you all for your service, and I hope that you will continue to maintain the position of no CR. This has gone on way too long. Thank you, and God bless you.

I yield back.

The CHAIRMAN. Ms. Rosen.

Ms. ROSEN. Thank you, Mr. Chairman, Ranking Member Smith.

And I thank all of you for your testimony today and being here and we know how detrimental the continuing resolution is to everyone's ability to plan, prepare, and do long-range strategic planning, not just in our military, but in every area of our Nation. That affects all of us in the country, worldwide.

But I want to ask General Goldfein a question. Of course, I represent Nevada's Third District. Nellis Air Force Base is just a few miles outside my district, and, of course, it is one of our main combat training exercises, the Red Flag, right there, very important to us, very important to you. And so we are designed to provide our pilots with their first 10 combat missions prior to actually flying in combat there. So is Red Flag going to be included in the stand-down under a continuing resolution this time?

General GOLDFEIN. Yes, ma'am. I think what you have already heard from us is that one of the first things that will go, as we look at where we have to go for the money, like for the Air Force. Where do I find \$2.8 billion? One of the first places I have to go is to cancel exercises. So I have got airmen right now that are actually scheduled to deploy, that are scheduled to come to Nellis to do their first 10 combat missions in that unmatched training environment, that will not go do that training.

They are still going to deploy, we don't stop the deployment because that is what the Nation calls on us to do, we just go less ready. So we are all going to end up canceling rotations at National Training Center, at Fallon, at Camp Lejeune, and clearly at Nellis.

Ms. ROSEN. So you would say the impact of a continuing resolution impacts human lives, obviously, the lives of our soldiers and it will impact the lives of their families because we are not able to pass a budget?

General GOLDFEIN. Ma'am, I will share a very personal story. So, you know, Captain Goldfein, day one, Desert Storm, never been into combat, we had one guy in the whole formation that had been into combat in Vietnam, and we all went across the line. And I remember the first time I heard triple-A, you know, anti-aircraft [artillery], right, 2:00.

Ms. ROSEN. Right.

General GOLDFEIN. And we all looked and then I remember hearing, you know, SA-2, left, 10:00, and we all saw our first surface-to-air missile. And then I remember hearing splash, MiG-29, and I was in the formation, and I saw a MiG-29 hit the ground. And I remember that moment in my cockpit. And I remember the confidence that came over my cockpit because I realized I have seen this before, I have heard these radio calls. I have actually seen Smokey Sam simulators simulating triple-A and surface-to-air missiles.

Never seen an airplane hit the ground before, but I have heard this, I have been in this environment before. And you can't imagine the confidence that came over my cockpit and all of those that were flying that day that said we have been here, we can do this mission, and we went in and we crushed it.

So what Nellis provides is confidence in the air and confidence under fire, and so it concerns me that we are not going to give that training to our young men and women.

Ms. ROSEN. Well, I think we know that from everything we do, the more training you have, the more muscle memory you have, the better able you are to execute your job, no matter what it is.

Admiral RICHARDSON. Ma'am, if I could also just pile on. There is a great responsibility we have to do things different and better as well. We can't just do—keep doing the same things for the same cost and expect to be effective.

Ms. ROSEN. Right.

Admiral RICHARDSON. And Nellis and Fallon and our training ranges, that is where that development is done, that is where we experiment, that is where we learn the new ways to fight, more effective ways to fight, more efficient ways to fight. And so it is not just, you know, going out and doing sets and reps, this is learning how to fight in the future. It is extremely important.

Ms. ROSEN. Well, I thank you for your service and I, for one, don't want to send one more service member into battle unprepared. Thank you.

The CHAIRMAN. Dr. Wenstrup.

Dr. WENSTRUP. Thank you, Mr. Chairman. Thank you, gentlemen, for being with us today.

You know, in budgeting decisions, we don't get to decide ourselves here in this committee, it is beyond us. And I just don't know how many of our members sometimes really dwell on or understand the details and the difficulty that goes into running an efficient and effective military. And when we are in this discussion today, it is probably the most grave I have heard since I have been here and rightfully so.

And I know that each of you look at your troops as part of your family and that is what makes this even tougher to think the environment that you are being asked to be put in and your family members being asked to be put in. We have touched a little bit about what happens to those next to deploy; they may deploy, but they are not going to be as ready as they should be.

And I also would like to hear from you, if we could, on the consequences of those that are currently deployed in Iraq, Syria, Afghanistan, and what is going through your mind if we find ourselves in the situation that may happen, which we do not want.

And I will start with you, General Neller.

General NELLER. As we have all said, we will make trades. I mean, I think we are pretty flexible, we are all in learning organizations and as much as we don't like the fiscal situation we have been in, you know, we are mission oriented and we figured it out. But I think, at this point, what you are seeing is those that are forward deployed have got the best gear, they got the best part support, they got the best training we can give them. The next ones out the door, then, and it goes down from there.

But because of the security environment that we see, the folks that just came back, if you would, the people on deck, or actually in the hole in the dugout getting ready to run out on the field, those are the ones that are going to end up getting the shorter end of the stick.

I mean, there is normal level and rhythm of a force and how you train it. But if we have to make cuts, for example if we had a CR as opposed to the budget that you have all passed, that is an \$800 million delta for the Marine Corps, \$500 million on the ground side, \$300 million on the air side. So those that are in the dugout, in the hole, if you will, they are the ones that are going to take the hit.

And then when they get on deck, you will be chasing yourself, to try to catch up, to get the reps and sets you need and the time is not there. We just don't have the time that we used to have. So that is the risk, that is the risk. And that is just in today's fight.

If you go to one of the other adversaries that we have all talked about and we continue to maintain the current ops, those are the ones that are going to have to go there, or you are going to have to shift the force. So that is the risk that we have all talked about.

General GOLDFEIN. Sir, I would also add that, you know, we have all had a lot of time deployed forward and a lot of time deployed together. And when we would do our battlefield circulation and talk to our soldiers, sailors, airmen, and Marines, we would always most of us get the same question, okay, exactly what are we doing here? And we could all give that speech.

The hardest question to answer was, why isn't anybody talking about it back home? Why are we all completely focused about it here forward, but nobody is focused on it back home? That was the hardest question to answer as a commander in the field.

So my concern, in terms of those who are deployed forward right now and for their families, is they are going to ask the question, are we serious about this or not? Is their risk going forward worth it or not? And I am not sure, if we don't even pass a budget, we can look them in the eye and tell them that what they are doing forward is on the minds of this Congress.

Dr. WENSTRUP. I appreciate that, General.

Admiral.

Admiral RICHARDSON. Sir, I will just—one word is munitions. That is how the forward force will be affected. Every one of my strike group commanders that comes back is coming back on fumes when it comes to munitions. And this is the good stuff, if you will, the precision munitions, the ones that we are using for a very good reason. And so I know that General Milley feels that same shortage and that is an absolutely critical part of this recovery is the restock of our magazines with the munitions we need to prevail.

General MILLEY. Congressman, for those that are deploying, we try to ensure that they get the maximum equipment and training. It is really the bench, as General Neller said. And then as Admiral Richardson said about munitions, we are critically short, and I am not going to go into it publicly and happy to do it in classified sessions, but a discussion of munitions is important.

And for the Army, we actually, I didn't realize this before becoming the chief, but we actually make the bombs for the aircraft that the Navy, Air Force, and Marines fly. They had all the precision stuff, but we make the basic bombs at our joint munitions facility for which we are responsible for. And next month, we are not going to be able to ship those bombs to our sister services for training.

Operational things will be taken care of, but at Nellis, at the different Red Flags, they are not going to have bombs to drop. They are not going to have that practice that "Fingers" just talked about, that General Goldfein just talked about. So munitions is critical and the shipping of those training munitions is going to cease here in the next month or two.

And the other thing that we talk about is leader development. Missed training, missed opportunities. Say we miss 6 months of training, that is an entire generation of lieutenants and captains that are going to miss training that is never going to be made up, sergeants and so on.

The other piece is, like this summer, we are not going to be able to run ROTC [Reserve Officer Training Corps] summer camp, or military academy summer camp at West Point. We are going to have 74 percent of second lieutenants in the United States Army won't get commissioned in fiscal year 2018 because they won't be qualified because their summer camp is going to be missed this summer.

So there is enormous amount of consequence in all kinds of areas if we go with the continuing resolution or return to BCA and we don't get this budget and supplemental passed and quickly.

Dr. WENSTRUP. Thank you, General.

The CHAIRMAN. Mr. Carbajal.

Mr. CARBAJAL. Thank you, Chairman Thornberry and Ranking Member Smith.

And thank you all for coming and addressing us today and thank you for your service. Even with a Budget Control Act repeal, we would not have a blank check and must prioritize as intelligently as possible. While some estimates put costs at an additional \$1.2 billion per 10,000 uniformed personnel, how do you reconcile the need to train and equip the current force with a desire to increase end strength?

General MILLEY. For the Army, they are interlinked, the idea of the readiness of the force, the size, the capacity and capability of the force. Obviously, what we want for this budget, for 2017, is we want to fill holes. There are already holes existing in the forces; not increasing the force structure, the increased end strength is not to make the Army bigger in terms of number of brigades and divisions and so on. It is to make the units that do exist, whole. To make them capable of doing adequate levels of training.

Training a unit at 65 or 70 percent strength is inadequate. You take 10 percent casualties in combat, maybe 15 percent, you are going to be a combat-ineffective unit. Yet we are training on a routine basis units at 65, 70, 75 percent strength at the training centers for the high-end collective training.

So this increase in end strength, I want to be careful that it is not mischaracterized as an increase in the Army. It is not. It is a filling of the holes in the existing force structure, and I think that is an important piece of it, and that is how I would reconcile it. We are not increasing the brigades and divisions or any of that. We are just filling holes in the existing units.

General GOLDFEIN. And I add, because it is the exact same thing in the Air Force. We are filling formations to do the mission that we have been given.

I will also tell you that you need those forces to actually achieve the training, to be able to build the time you need and the forces you need to support the training we have been talking about. And here is how sometimes this gets masked. So when I was a younger pilot, and I would show up at the aircraft, I would meet my crew chief, the dedicated crew chief and the assistant, and we walk around the airplane, and then I taxi to the end of the runway and a different crew would be there to meet me, and they would pull the pins and arm the aircraft and I would take off, and I would go to another destination, and a third crew would be there to meet me.

Here is what often happens when you get to the shortfalls that we are seeing right now. Your taxi is slow because the same single crew chief has got to get to the end of the runway, because it is the same individual that is pulling your pins and arming you. And then you have to fly slow because that guy has got to get on a C-17 and fly to the next location to be able to meet you. That is a vignette of some of the ways that we are managing the smaller force.

So to General Milley's point, this is not about growing the Air Force or the Army. This is about filling holes.

General NELLER. I would say for us it is a little bit different. This body authorized an increase in 3,000 Marines. And those Marines are going to do different missions than the 183,000, 184,000 are doing today because we have a requirement to develop different capabilities that we think we need for the future fight. So if that money is not there and we can't grow the force, we are going to develop those capabilities, but it is going to come out of that 182,000 base. So 3,000 Marines that are doing something today are going to do something different. And that is going to reduce our capability in those particular areas.

So we have got to grow these new capabilities. Yeah, there is going to be some filling of shortfalls in maintenance and other places, but ours is different. We have got to build a force that is ready to fight what we think we are going to face in 2025.

Mr. CARBAJAL. Thank you very much. Mr. Chairman, I yield back.

The CHAIRMAN. Ms. Stefanik.

Ms. STEFANIK. Thank you, Mr. Chairman.

And thank you to our witnesses for your leadership and for your service.

In my district, which is New York's 21st District, I represent two of our Nation's premier career military installations: Fort Drum, which is home of the 10th Mountain Division, and Kesselring, which is a naval nuclear training facility.

My first question is for General Milley, and it is regarding Army's aviation readiness.

The 10th Mountain Combat Aviation Brigade is currently supporting Operation Atlantic Resolve throughout EUCOM [U.S. European Command], and I have serious concerns that the CR could limit future aviation capabilities and training opportunities, like the ongoing deployment of the 10th Mountain. Could you describe how a CR would impact the Army's aviation readiness, specifically

its training, and, on top of that, the pilot shortage that the Army is already experiencing?

General MILLEY. Thanks, Congresswoman. I appreciate that and “climb to glory” for the mighty 10th Mountain Division, a shout-out to the north country. A continuing resolution or a return to BCA would have a significant, negative effect on Army rotary-wing aviation.

We are already short 741 pilots, which we are trying, if we can get the budget passed with the supplemental, we are trying to make that up. But if we don’t get the budget passed with the supplemental, we are not going to make that up and that is going to increase several hundred more. And that is across the entire total Army with the Active, the National Guard, and the U.S. Army Reserve.

For the National Guard specifically, there are about 1,300 pilot seats available in a given year that won’t be available in the following year as a result of a continuing resolution. Those would be National Guard and Reserve seats. There are about another 1,000 seats that might not be available for the Regular Army.

We are going to try to preserve and fence the flying hour program, those already qualified pilots that are in units, although I must mention that the standard is about 14 hours, 15 hours a month of rotary-wing flying. We have reduced that over the last 8 years, so the new normal, if you will, is something around the 12 or 13 hours, but we are going to preserve the 12 or 13 hours.

We don’t like the new normal, but the flying hours program will try to fence that. For units that are deploying, we will make sure that they get the appropriate levels of training to deploy into combat.

And the last piece is upgrading the fleet. The continuing resolution or a BCA is going to prevent us from putting active protection systems for missile defense on the aircraft. We will not be able to upgrade some of the modernization efforts that we have inside the cockpits. We are going to be short on the munitions and Hellfires, et cetera, for the Apaches. And most importantly, we are not going to be able to buy the additional Apaches we need to fill the holes in the existing force structure, for both the Regular Army and the National Guard. It will be a significant negative impact on Army aviation.

Ms. STEFANIK. Thank you, General Milley.

And my second question is for Admiral Richardson. I understand the second moored training ship [MTS] requires a new start and full funding this year to provide training for nuclear operators, and I am asking this question in context of Kesselring.

What is the current status of the second MTS and how would a CR create challenges for the Navy if it is not funded and allowed to start in fiscal year 2017?

Admiral RICHARDSON. Ma’am, great question, and thanks for your support of Kesselring and everything that they do up there.

There has been a fair amount of talk about a balanced approach and that everything that has to do with national health and particularly national security doesn’t all reside in defense. And Kesselring is a great example of that, where a lot of that site is supported by the Department of Energy and the NNSA [National Nuclear Se-

curity Administration]. And so it is critical that we understand those relationships.

And if we are not training operators and developing new nuclear technologies up there, we are training them at our moored training ships. And the second moored training ship is the next generation. Right now, we are using ships that were built in the 1960s to do that. They are the oldest operating nuclear power plants I think in the country, and it is time to recapitalize those.

This is a new start. There has been a lot of talk about funding flexibility. The continuing resolution is the opposite of funding flexibility. It is absolute funding rigidity. You have to continue to do the things you would like to stop, you can't do the things you would like to start. One of the things I would like to start is the second moored training ship, and I can't do it with a CR.

Ms. STEFANIK. Thank you. I yield back.

The CHAIRMAN. Mr. Suozzi.

Mr. SUOZZI. Thank you, Mr. Chairman.

First, let me say I am very sobered and humbled by the responsibility that we have listening to your testimony. It is really incredible the vocation that you have made with your lives and how dedicated you are to this mission that you have.

I am new to this job. I am formerly a mayor and a county executive of a large county with a \$2.8 billion budget. I am a freshman in the minority and don't have as much influence as I would like to have, obviously. But I know that there is an important mission that the Congress has, and I really want you to know that I am going to do the best I can to communicate that we are dealing with people's lives here, the people that work for you. And what we do has a tremendous impact on their lives. And as you pointed out so eloquently, on their morale and on their effectiveness.

I want to just look at some big picture things. The overall budget in 2016 was about \$580 billion, and personnel made up 24 percent of that overall budget, and O&M [operations and maintenance] made up 42 percent of that budget. So that is a big number, 42 percent of the budget for O&M, and 20 percent went to procurement and 13 percent went for other. And it is going to be different for each of your services.

You know, the Army, they might not be procuring as much in equipment, for example. But you are all spending about this 40 percent in O&M. I just want to ask you from a big picture perspective, does that make sense that we are spending as much as we are on O&M, on operation and maintenance, or should that be something over time that we are trying to change?

So, go ahead.

General NELLER. Well, we are a little bit different. I mean, our people account is about 65 percent of our budget, at least the green Marine Corps budget is about 65 percent. Our O&M, probably about 15 percent. Acquisition and then the facilities make up the rest.

Mr. SUOZZI. Now, a lot of your equipment is in the Navy though, right?

General NELLER. No, our aviation is naval aviation, but all our ground equipment, we own our ground equipment. So, you know,

we are a small percentage of the overall force. But most of our cost is people.

So I take your point, but if we have people costs or we have to increase the size of the force, or the force gets more senior or the pay raise that is voted upon, then those bills where we have to make those trades and the trades are in those other areas, in operation and maintenance and procurement modernization or in facilities. And so then you start to build up a deficit in those areas.

And you have got a force that is—that's what a hollow force is, is a large force. So there are trades. We can reduce the size of the force, we can reduce acquisitions. So those are the puts and takes that always go on as we manage the budget, but we are probably not a good example of what you are looking at as far as a large amount of O&M.

General GOLDFEIN. Actually, no mystery for an Air Force. Older aircraft are more expensive to fly, period. And so what happens with us is you get an average aircraft age of 27 years. And when I go out and talk to airmen, you know, every once in a while I will find somebody who has been driving a 27-year-old car, not many. But when you find something like that, one of the things they know is they know that that company stopped building parts for that car 11 years after.

So when you are 27 years old, right, there was a Fox News special that maybe you saw that had B-1 maintainers that were actually cruising museums to find parts to keep those B-1s flying. That is what it takes to keep older aircraft flying. So when you look at our O&M costs going up, it is because that is a direct result of aircraft age.

And so as we try to procure and try to get that aircraft age going down, what comes along with that, quite frankly, is a bigger bill than the procurement cost is the sustainment costs over the life cycle of that weapon system. So we drive that down as much as we possibly can.

Mr. SUOZZI. Admiral.

Admiral RICHARDSON. Sir, I will just say I think General Goldfein and I share that we are a pretty capital-intensive force, right? So we operate a lot of stuff and we have to fuel it, maintain it, that sort of thing. And so we have got about between 25 and 30 percent of our budget in the Navy is operations, and I think the general captured it very well.

Newer things don't require so much maintenance, and so this renewal of the force at the end of the day, it helps us do our business for less operating and maintenance costs.

Mr. SUOZZI. So for the two of you, as a general rule, you know, if you could have the Congress work with you effectively and you could get your way over time, would you like to see your O&M be a lower percentage of your budget? And where would you rather see an increase, in procurement or in personnel?

Admiral RICHARDSON. I think that both for operations and for procurement, stable, adequate funding. That is the way I would like to partner with Congress the most.

Mr. SUOZZI. General.

General MILLEY. For the Army, we committed about just a little bit less than 50 percent for personnel costs, which is, you know, no

surprise. Cost of labor is Economics 101, and that is going to be your expensive factor of production.

For us, O&M accounts, as you said, just under, in our case, just under 40 percent. So what is operation maintenance for the Army? It is ammunition, it is fuel or POL [petroleum, oil, lubricants] products for the vehicles, flight hours for aviation, and, importantly, parts.

So our O&M costs have gone up in the last couple of years. Why? Because we are trying to intensify our levels of readiness and training for combined arms operations against a near-peer threat. We have been fighting for 16 consecutive years against guerrillas and terrorists in tennis shoes with IEDs [improvised explosive devices] and AKs [AK-47 rifles] in desert terrain in the Middle East. We don't know, no one knows, where the next conflict will occur.

We don't want to be preparing for the last war for the next one. So we don't know. We have to keep all the cards on the table for the U.S. military to be able to fight a wide range of threats. So we have reemphasized combined arms, higher end combat, unless you are specifically deploying. That training is having a positive effect over the last couple of years, about 24 to 36 months or so. We are seeing improvements, slightly, in our readiness in that regard.

If we don't pass the budget with the supplemental and we continue with the CR or we go to BCA funding, that level of training is going to come to a halt and that readiness improvement is going to stop. So we need to continue funding O&M in order to do that for current day readiness.

For procurement, in the Army's case, what we have done, we have biased current readiness, today's fight and, you know, the next couple of years' readiness. And we are really mortgaging the future, in terms of our procurement. We only put 20 percent of our money into research, development, science, technology.

Mr. SUOZZI. Yes, I saw that.

General MILLEY. And we need to improve that.

Mr. SUOZZI. Okay, well, thank you very much, General.

And again, I know that our mission is to do our jobs to try to help you do your jobs. So thank you.

The CHAIRMAN. Mr. Russell.

Mr. RUSSELL. Thank you, Mr. Chairman. And thanks to all of you for being here today.

This body historically has wrestled with these issues since we have been wearing tri-corner hats. I am mindful of the Joint Committee on the Conduct of the War after Bull Run. The congressional investigation of the sinking of the USS *Maine* and how did we let that happen? The Joint Committee on the Investigation of the Aerial Attack on Pearl Harbor and what went wrong, or the one on the communist attack on South Korea and how did we get so surprised.

These are but a few of the examples, but the story is familiar. Service chiefs, given shifting, declining budgets that makes the dollars that did arrive less flexible and less valuable; endless questions by people like me, in previous lives, wondering why so much treasure must be spent when there are domestic priorities that demand immediate action, and we can eke out savings that will realize all of our dreams.

Whatever saving that has been realized by this American bad habit of unpreparedness, it has been more than horrifically compensated for by scores more in spending and thousands more of American dead. I don't know, Mr. Chairman, what the next committee will be named, but I already know what its recommendations will be.

Mr. Chairman, I don't want to waste any more of these warriors' time. We need to give them what they ask for, and I yield back.

The CHAIRMAN. Ms. Shea-Porter.

Ms. SHEA-PORTER. Thank you. And I thank you all for being here.

And I have had 6 years on this committee, and I think this is about the grimmest it has gotten. And so clearly, we are not addressing these really crucial issues.

I want to put a little bit of a change in the direction of the questioning. I understand, you know, that we are falling behind in equipment, et cetera. But I am looking out at the world now as they look in on us.

And I think I agree with you, General Goldfein, that when you were talking about people wondering, you know, are they talking about it at home? I don't think we are talking about it enough right here. I think that what happens is these committees are like silos. And everybody is incredibly busy. I just ran from another committee hearing, but we have to somehow or another address this. So I recognize the urgency, and I thank you.

So what I am looking at right now is, what about the rest of the world? Is the conversation going around, you know, in your profession? Are friends worried that we are not going to be able to keep our commitments or we lack the will to keep our commitments? And are our enemies hopeful that we are going to just, you know, get so bogged down in this, in our budget issues, that we are not going to properly fund?

And I would appreciate hearing from each one of you on that.

General NELLER. I will go first. I think the simple answer is yes. Our allies—our strategy is based on our ability to build partner capacity and that they are going to be there with us if we have to face any of the future challenges. In order to do that, we have to be able to show up for exercises, work interoperability, do things with them, have them procure equipment that is interoperable with us, ideally made by the same manufacturers, by American manufacturers.

We need to make it a little bit easier to be our partner across all areas, intel sharing, acquisition, foreign military sales. But I think they look to us and they have looked to us since the end of World War II when this world was created where the United States was the guarantor of peace and stability in the world. And whether it be NATO [North Atlantic Treaty Organization] or ASEAN [Association of Southeast Asian Nations] or any other security apparatus, or the United Nations, they look to the United States.

And so it is important that we as military members go out there in the profession of arms, not as Department of State or ministry of foreign affairs, we maintain these relationships, and that we have to be able to go to our partners and say we are going to be there for you. And then they can pass that back onto their political

leaders, because we occupy a very interesting space out there in the international world.

Ms. SHEA-PORTER. Thank you.

General GOLDFEIN. Ma'am, you know, technology changes over time, but the fundamentals of deterrence, I would argue, have not changed. It is capability times will. And the times is important because if either side of those is zero it equals zero.

And so what I will tell you is that we have the luxury, not only as Joint Chiefs but throughout our career, of having developed relationships of trust and confidence with our counterparts around the world. And I can't tell you how important those relationships are. We call them mil-to-mil or military-to-military. And I think we could all give you examples of where sometimes diplomatically we may not have had agreements with a country, but our relationships with fellow airmen, soldiers, sailors, or Marines are vital.

And so we keep those long. And very often, to what General Neller was talking about, our commitment that brings that capability and brings that will is to the relationships that we build. You know, this is one of those questions where it would be inappropriate to do a big, broad brush over, you know, general concerns, because the reality is it is a bit mixed bag as you go around the world.

But I can just tell you that we are committed to making sure that we keep those relationships alive and well.

Ms. SHEA-PORTER. Thank you.

Admiral RICHARDSON. Ma'am, thanks for a great question. I would say that, and I appreciate you looking around the world and directing our attention there as well. You know, in the very short term we are in a very unstable environment right now. There are a lot of governments coming into place, elections, the world is shifting in many ways, including our administration as, you know, they settle in, we settle in.

And in times of great uncertainty, there also is the opportunity, I think, for a great miscalculation. And it is even more important, in my mind, that during these times of uncertainty we minimize that possibility of miscalculation by making sure we operate from a position of strength.

And this strength will assure our allies that we will be there and not contribute to that uncertainty, not contribute to that instability. And it will also deter our enemies, so that even though a period of transition, they will wake up every morning and say not today, this is not the day to start something.

And so in the very near term and then I would say in the long term, and we can have a different conversation through the 2020s, we have got to ensure that we operate from a position of strength for assurance and deterrence.

Ms. SHEA-PORTER. Right. And I will add to that that this committee knows our responsibility and we are active in seeking the answers and recognizing that we have got to properly fund if we want you to do what we need you to do. So thank you.

General MILLEY. I would echo my teammates here. Assuring allies is critical and we do that through presence, exercises, exchanges. Interoperability is important to readiness and capability overall with our allies. The United States has a great set of allies

and partners and friends around the world. I believe that is still strong, but we have to continue to make it strong.

And virtual presence is actual absence, so we need to be there with them in the air, on the sea, and on the ground. And that will help reassure and stabilize various situations around the world.

With respect to adversaries or enemies, you know, “Fingers” hit it on the head. It is capability plus will. The capability has to be real. It has to be seen. It has to be demonstrated. It has to be sensed. And your opponent needs to know that you have the will to use it. If you do that, then you will have peace through strength because you will definitely deter any rational actor on the other side.

Ms. SHEA-PORTER. Thank you.

Thank you, Chairman, for the extra time. I yield back.

The CHAIRMAN. Dr. Abraham.

Dr. ABRAHAM. Thank you, Mr. Chairman. Thank you, gentlemen, for being here.

As vitally critical as our schools, our infrastructure, and certainly cures for cancer are—I am a physician and have certainly lost my, unfortunately, share of good people to that horrific disease—as important as all those are, I think we are all smart enough to understand that that makes no difference if we don’t have a country and national security. So certainly we want to, I want to give you what you ask to protect our country.

And, General Milley, when you reminded us that our men and women in uniform unfortunately have to still rely on food stamps to feed their family, that is both a moral and ethical tragedy that I hope makes everyone angry. And we need to fix that problem.

General Goldfein, I want to thank you for—I am a mission pilot for the Civil Air Patrol, the Air Force auxiliary, and I fly for the Green Flag Program, which you had the foresight to actually start, which has been a phenomenal success, giving real-time training to our men and women on the ground.

Last week, we heard from the vice chiefs. We were talking about the pilot shortage that you have referenced already, and the intellectual property and the institutional knowledge that these pilots, you said it takes at least 10 years to train that great pilot, and that is certainly true, that with this CR, retaining that pilot with what the airlines are now offering on the civilian side is almost an impossible task.

My question is, what other areas of the DOD do any of you see where we are losing this intellectual property, this institutional knowledge, because of the CR?

And I will start with you, General Goldfein.

General GOLDFEIN. Yes, sir. You know, the reality of the pilot shortage is it is actually not a military problem, it is a national challenge that we have all got to face. And Chairman, this is something that I think we need to work together, because here are the basics. We in the United States Air Force produce about 1,200 pilots per year. The airlines, based on their projections, need 4,500 every year for the next decade. We are not going to buy our way out of that challenge. This is a supply-demand mismatch nationally to be able to produce the pilots we need, to service the commercial,

the business, the private, and the military aviation needs of the Nation.

So first and foremost, we have to have a national approach to this that looks at, what are the incentives we can put in place to increase the supply going up for the pilots that we need to service all of these bins? And then what we need to do across the military, I would offer, is to approach it from a combination of quality of life and quality of service.

Quality of life we tend to focus on, which is the financial piece and taking that financial burden off of the family. And that is important. But I would argue that quality of service is equally, if not more important.

That we have got to ensure that our pilots, our maintainers that are getting the resources they need to train, that they feel like they can be competitive and the best that they can be. That they are part of a unit, that they are part of something that is better than themselves. That they know that they are in an organization where they are valued, that we take care of their families.

All of the cultural things that go along with wearing these uniforms, that is as important as anything we do financially. And I would just offer that this is something we have to work together, because it is a national crisis.

Dr. ABRAHAM. Admiral.

Admiral RICHARDSON. Sir, I will just add on, other areas that are under stress just from this competition for people that I described earlier, certainly pilots, as we have mentioned, our cyber forces are very much under stress. Our nuclear-trained sailors are under stress. And our special forces have been extremely busy in this war and they are also under stress.

I will tell you, just as we have said, none of these, we can't compete in money. And you know what? They didn't join for money. I mean, we need to give them adequate resources to live. And I think with this bill and supplemental, we will be meeting that responsibility.

But these folks, they joined to sail and fly and operate at the high end, become the most lethal force on the earth to protect and defend the Constitution of the United States. And that is all we have to do is keep that covenant with them and they will keep coming. If they start to doubt that, they are going to go to where the money is.

Dr. ABRAHAM. Thank you. I yield back, Mr. Chairman.

The CHAIRMAN. Mr. Banks.

Mr. BANKS. Thank you, Mr. Chairman. Thank you, gentlemen, for being here and for your service.

I am rather unique on the committee. I don't serve a district that has an Active Duty military base. However, in my district in north-east Indiana, we are the proud home of Indiana's Air National Guard 122nd Fighter Wing. The men and women of the 122nd serve our country with distinction and often go into harm's way in service to our Nation, just as our Active Duty troops do as well. Yet I am concerned that the prospect of a CR will have an even greater impact on our National Guard and Reserve forces than the Active Component.

General Goldfein, while I am dismayed at the prospect of yet another CR, can we have some sort of commitment from you or what kind of commitment can you make on behalf of your branch that a continuing resolution will not have a disproportionate impact on our National Guard or Reserve forces?

General GOLDFEIN. Sir, I can tell you this. I can't do the mission without the Air National Guard, period. You go into a cockpit of a C-17 today and ask the crew that is in the front of that cockpit, okay, who is Active, who is Guard, and who is Reserve? I can't tell you the number of times that I have flown in C-17s and all three hands go up. You actually can't tell us apart. So we, first and foremost, we can't do the mission without the Air National Guard.

So my commitment to you is that this is one Air Force and I am their chief. And so I am going to make sure that the Air National Guard has everything it needs commensurate with the force because we are one Air Force to accomplish the mission we are given.

Mr. BANKS. I appreciate that strong statement and commitment. Another frequent concern that I hear related to the supply chain and spares account that are required to keep our A-10s flying is related to the suppliers that are no longer in the A-10 business. So can you speak a little bit to how the continuing resolution would affect or impact the supply chain of the A-10 specifically?

General GOLDFEIN. Sir, it is not so much that it will have that much impact on the supply chain. It will have more of an impact in terms of our ability to take those A-10s and put them in depot maintenance because that depot maintenance line will stop. And it will stop because the civilian hiring freeze and a combination of other things.

I am going to have to figure out, you know, we are each going to have to figure out how to pay the bill. Okay? So for the Air Force, it is \$2.8 billion. To find \$2.8 billion, one of the things I am going to have to do is stop a lot of depot maintenance lines. And the A-10 will be directly affected.

And it is not linear, meaning at the end of that timeframe when we get appropriations, it is not like you just start the line back up immediately. Because all those workers have left, we haven't been able to hire their backfill, and they have lost their qualifications. And so there is going to be a spin-up time at the end when we get an appropriation to get those lines back up and running.

So what you have in the middle is a number of aircraft. And, oh, by the way, the aircraft that have been flying in the fight are coming due for their maintenance, and so it continues that backlog over time and what you end up doing is grounding aircraft.

And so while I could buy all the parts in the world, if I chose to be able to do that within my flexibility, those parts will sit on the shelf because I don't have the workforce I need to put those parts in the airplane.

Mr. BANKS. I appreciate the insight. I yield back.

The CHAIRMAN. Ms. McSally.

Ms. MCSALLY. Thank you, Mr. Chairman.

Thank you, gentlemen, for your testimony and your service and your leadership and your candor about the impact on the men and women in uniform who are putting their lives on the line to protect our freedoms. And I really appreciate it. And I hope there are a lot

of people out there listening and there will be a lot of stories about what you said today.

Admiral Richardson, I want to start off with a story that troubled me about a hundred pilots that are essentially refusing to fly. Having been a pilot myself, to get to the point where you don't trust your equipment and you think your life and your student's life is in danger is pretty severe. And now, some of that is because of the aging fleet and the resource implications that have been discussed today. But it sounds like some of it is also a leadership issue.

So can you please comment on what the Navy is doing to address this issue? That is going to be impacting, obviously, our readiness, our pipeline, morale, and the lives of the men and women.

Admiral RICHARDSON. Certainly. Thank you for the question. And as has been said before, this is the top safety priority for naval aviation. It is a vexing problem. And this is not a resource-constrained thing. This is an area where we are applying every bit of resources we need. Cost is not an issue as we approach this problem.

It, as you said, is directly related to crew safety. And it has got the full attention of all leadership in the naval aviation—

Ms. MCSALLY. You are aware that, some of the quotes by instructors, that is not how they felt, right?

Admiral RICHARDSON. Right. Well, so, let me just continue my answer.

Ms. MCSALLY. Yes.

Admiral RICHARDSON. To address this, we have established a dedicated team. And I am going to take a little bit of time to step through it because it is complicated. And that team will stay on this from a technical standpoint until it is fixed. But as I said, it is a complex problem and it requires a multidimensional solution.

First and foremost is the human dimension. And communication is a big part of that. And so when we heard about the concerns of our instructor pilots in our training wings, we sent, you know, a team down there to make sure that we fully understood their concerns and they fully understood what we were doing.

I think what we had there, more than anything else, was a breakdown in communication. And those teams are on-site now. They are working through each of the training wings. And they are resolving their differences in perspective and differences in communication.

And so, in addition, you know, from the human perspective, you know, the crew and their awareness is going to be the most important thing towards minimizing risk here. And so we have improved training to make sure they recognize the symptoms of hypoxia and related effects.

We have improved their training on emergency procedures. That includes training in simulators where they actually feel those effects and go through those procedures. And as I said, we are making sure that we are listening and they all feel like they can be talking to leadership so we understand where their anxiety and concerns are.

Ms. MCSALLY. Great.

Admiral RICHARDSON. It is a constant effort.

Ms. MCSALLY. I appreciate that. I would like to follow up more with you maybe after the hearing. I appreciate it and would like to stay in touch on the impacts on that side.

Admiral RICHARDSON. I will make sure we do that.

Ms. MCSALLY. Thank you, I appreciate it.

General Goldfein, you have eloquently expressed the challenges of a CR and how it is going to impact flying operations, saying squadrons will be grounded in June. I don't know if everybody who is listening fully understands what that means. So even to just localize it for Davis-Monthan, so the Bulldogs that I commanded are over shwacking bad guys right now, when they come home in the summer they are going to be grounded, like, no flying, no upgrades, no training. They are done, right?

General GOLDFEIN. So, ma'am, what I would tell you is that if you don't have a unit on your base that is either preparing to go, that is directly preparing to go into conflict, you will have the equivalent of a no-fly zone over your base.

Ms. MCSALLY. Yeah, this is unprecedented. I know it happened for a little while a few years ago. But this is unprecedented in the impact it is going to have. They need to be ready to go anywhere in the world on 24 hours' notice, as you know.

Similarly, the EC-130s, they are only the capability in the world, and the cross-decking, the training and everything, same thing, right? They are done?

General GOLDFEIN. Yes, ma'am. And so, Congress gave us acquisition authorities and told us to use those authorities to speed up acquisition. There is no better example than Compass Call, electronic warfare asset in high demand in this fight and it is going to be a central asset in any fight. So we took those authorities and we looked at how could we rapidly take the exact same equipment that is on the current EC-130 and cross-deck it.

Ms. MCSALLY. Right. But with a CR?

General GOLDFEIN. It stops.

Ms. MCSALLY. It stops, okay.

General GOLDFEIN. That contract going forward stops.

Ms. MCSALLY. Red Flags, we talked about Air Warriors, Angel Thunder, same thing. Those that are going to deploy to rescue Americans in harm's way, their training is done as well.

General GOLDFEIN. No, ma'am, be very clear, there will be no degradation to folks that we are preparing to go into the fight.

Ms. MCSALLY. Okay, I hear you.

General GOLDFEIN. Everyone is trained to go.

Ms. MCSALLY. But as you know, that is just-in-time training.

General GOLDFEIN. That is right.

Ms. MCSALLY. But the cumulative effect of missing out training throughout the year does have a degradation, is that fair?

General GOLDFEIN. Absolutely.

Ms. MCSALLY. And we have got a thousand fighter pilots short and you are grounding pilots. And we are expecting them to stay? That is insane. You agree?

General GOLDFEIN. Yes, ma'am.

Ms. MCSALLY. All right, thank you. I yield back. Thanks.

The CHAIRMAN. Mr. Hunter.

Mr. HUNTER. Thank you, Mr. Chairman. Gentlemen, great to see you.

I guess let me ask my first question is, how do you mitigate the risk of not fighting? And let me give an example. Haven't had a naval battle in a long time. I mean, ships shooting at ships with cannons, right? We haven't had air-to-air combat in quite a long time. The places we are at right now, we have air superiority. We know how to set up FOBs [forward operating bases], we know how to do life support with the best expeditionary military since the Romans. I mean, it is amazing what all of you do and what our services can do. How do you mitigate the risk of atrophy when it comes to facing peer competitor countries?

And I am looking for one word.

General MILLEY. Training.

Mr. HUNTER. Training.

General MILLEY. That is it.

Mr. HUNTER. All right.

General MILLEY. What it is all about.

Mr. HUNTER. That was my question. So it is training.

General MILLEY. To follow on Ms. McSally, it is not just airplanes that are shutting down training in July. The entire Army's training is shutting down except those guys that are deploying. Navy, same thing in the Navy and the Marines as well. It is across the board. And training is the answer. That is how you mitigate it.

Mr. HUNTER. How does training get slammed by the CR?

General MILLEY. It stops.

Mr. HUNTER. It stops, right?

General MILLEY. Right.

Mr. HUNTER. Yes, what happened with the units?

General MILLEY. That is with the OPTEMPO. What happens is the OPTEMPO money, the gas, the parts, the ammunition, that ceases. And so people still get paid, but there is no training going on. So what ends up happening is, if called upon, this is for the bench now, if called upon for some unknown contingency that no one can predict right this moment, but if it happens, people are going to be going out the door with equipment that is less than optimally maintained, units that are not properly trained, and we are going to be putting young men and women into harm's way that are not ready for that level of combat. That is what is going to happen with the lack of training.

Admiral RICHARDSON. Sir, I would just add that also there is a lot of that contained in that supplemental.

General MILLEY. That is right.

Admiral RICHARDSON. And so it is the combination of both that we need favorable attention to, not only the fiscal year 2017 budget, but there is a lot of training, operating money in that supplemental.

Mr. HUNTER. You both probably have the same answer.

Mr. Chairman, I just want to thank you for your leadership on this. You came out very publicly and said you are not going to vote for a CR that is for defense. I just want to just say thanks for your leadership on this. We are behind you.

Thank you, gentlemen. I yield back the balance my time.

The CHAIRMAN. Thank you.

Ms. Cheney.

Ms. CHENEY. Thank you, Mr. Chairman. And I would like to start by thanking all of you very much for your service, for being here today.

Associate myself also with the comments of Mr. Hunter and the chairman; I will not support a CR either, in terms of the damage that it will do to the Defense Department.

We are engaged, as you all know, in a whole range of crucial issues here on the Hill, issues that affect the Nation domestically, health care, tax reform. I would argue that none of those is as important as this issue we face today. And if we get this wrong, none of those matter either.

That we are in a situation today, as you have all laid out during this hearing, that we have got to make sure that not only do we fill the gaps, but that we begin to rebuild our superiority. And in that regard, General Keane testified last year about the extent to which we are running the risk now of not prevailing in a fight in some circumstances.

And I would like to ask each of you to talk about the shortfalls that we face, which you have detailed very effectively today, but talk about it in the context of the overall threat and as we see our own capabilities decline in too many instances, it seems to me we have seen the capabilities of our adversaries increasing and advancing.

And so whether we are talking about ISIS, North Korea, China, Russia, Iran, if you could just talk for a little bit about the extent to which our declining capabilities have just created a gap which may be a gap of historic proportions in terms of where our adversaries are.

General Neller, I will start with you.

General NELLER. I think we have all watched this over the last 5 to 6 years as we have been continually involved in the daily grind of the counterterrorism fight. We have seen the growth of the capabilities of the Chinese, the Russians, the Iranians, the North Koreans. On the countering to that is our OPTEMPO has stayed high because of what is going on fiscally, our ability to modernize and start to train to face that type of a threat and develop the capabilities through equipment and training and leverage technology. We have made a move. We started to do that. It is not like we have been sitting here ignoring it, but to get to that point, while at the same time do what we do on a day-to-day basis.

It is the equivalent of rebuilding the airplane or the vehicle as you are driving down the road moving toward the day-to-day efforts. You are trying to rebuild the thing in motion, which is difficult enough, but if you don't have the resources to do that, and fifth-generation stuff is expensive. It is. And we all want to drive down the costs, we all want to get it faster, but to do that we need to have adequate resourcing, and it has got to be stable.

We are not going to get a good price point on any of this stuff if we can't tell the vendor, okay, we are in for 3, 4, 5, 6 years because we know we can buy five for the price of three-and-a-half, or whatever it is, if we can get the money to get the long-term contract. So, that is the dilemma we face.

It would be great if we could stop and get a time-out. People talk about, you know, the interwar period; we have had no interwar period. We have been since 9/11 at war, and I don't see there being an interwar period, which makes it difficult, but it also makes it necessary that the resources are there to maintain the current fight, but to build up the capability for the fight that we hope doesn't come. And if we are ready and we have the capability, the probability that it will come goes down, but we can't assume that it won't.

Ms. CHENEY. Thank you.

General Goldfein, could you also talk, I know we are focused on the CR, but the Budget Control Act and sequestration, as a whole, and whether we really can do what we need to do before we repeal those.

General GOLDFEIN. Yes, ma'am, and I would just tell you that one of the things that you have heard from us here is that when called to go, we go. We have heard all the impacts of a CR. We are going to cancel exercises, we are going to cancel training. But let me ask one question for a second that when the United States militaries are called upon, we go.

And when you take the combined military might, although none of us, as Joint Chiefs, are happy with our current level of readiness, for those that may be listening ought to have no question in their mind that if they take us on they lose.

I will give you just one example. You know, if Mr. Putin makes a bad choice, he will face the combined economic and military might of 28 nations in the most powerful alliance we have ever been part of, and that spells his loss.

So we are going to work with you on ensuring that we can manage this to the best of our ability. We have been through sequestration before, and I think we would all tell you we still haven't recovered from that. And one of the worst things we did during that entire period when we shut down the government was we broke faith with our civilian workforce, and especially our young civilian workforce that don't have the luxury of 4 to 5 months of pay, you know, in the bank that can cover them while they are out of work.

And we had so many civilian workers, young civilian workers, that left the government service because they couldn't pay the bills. Or those that didn't pay the bills then had security challenge issues because one of the things we look at are their financial reports. And they left government service, talented young men and women, and never came back. We can't go through that again.

Ms. CHENEY. My time has expired, thank you very much. I appreciate it. I yield back.

The CHAIRMAN. Thank you all for your time, your testimony, and your service.

You know, the earlier conversation General Milley had, Mr. Russell referenced to some historical parallels, reminds me that tomorrow, April 6th, is the 100th anniversary of our entry into World War I.

You know, we tend to think about World War II and Patton's dash across Europe, Iwo Jima, those incredible battles, but the thing about World War I is nobody ever thought it would happen. They all traded with each other, the rulers were related to one an-

other, and they thought they could out-bluff each other, that there might be a skirmish, and yet a whole generation of European men were wiped out in World War I. It just, I think, should be a sober reminder to all of us about the stakes of what we are talking about here. They are incredibly high.

And I appreciate you all's testimony; as you have heard many times, I think it has been sobering.

The bottom line is we have to do better than that, than CRs, than not passing a supplemental, than sequestration. We have to do better than that.

The hearing stands adjourned.

[Whereupon, at 12:43 p.m., the committee was adjourned.]

A P P E N D I X

APRIL 5, 2017

PREPARED STATEMENTS SUBMITTED FOR THE RECORD

APRIL 5, 2017

**Opening Statement of Hon. William M. “Mac” Thornberry
Chairman, House Committee on Armed Services**

**HEARING ON
“Consequences to the Military of a Continuing Resolution”
April 5, 2017**

After having explored the next steps of defense reform in yesterday’s hearing, we now turn to what is needed to repair and rebuild our military. And I am grateful to each of the distinguished Service Chiefs for being with us today.

There is widespread agreement that funding cuts under the Budget Control Act, plus a series of continuing resolutions, coupled with the pace of required deployments have damaged the U.S. military. I believe that the damage has gone far deeper than most of us realize, requiring more time and more money to repair than is generally expected.

There is plenty of responsibility to go around for the current state of affairs—with both Congress and the Obama Administration, with both Republicans and Democrats, with both military and civilian leadership.

Among other problems, defense funding got caught up in the partisan back and forth on other issues and has even been held hostage for other priorities. We need to get back to evaluating our defense needs on their own without regard to any agreement or disagreement we may have on other issues. The men and women who serve deserve at least that.

The most important thing now is to repair the damage. We have the chance to begin doing so by passing a full appropriations bill for this year, acting favorably on the supplemental request, and then enacting adequate authorization and appropriations for fiscal year 2018.

The immediate issue before us is the expiration of the current continuing resolution on April 28. We in the House passed a full appropriations bill for FY 2017 on March 8 by a vote of 371 to 48. The Senate has not yet acted on it.

As I have said before, I will not vote for a defense continuing resolution for the rest of FY17. It would simply do too much harm.

Fundamental to fixing a problem is to expose it and to understand it. I understand that we must all be cautious about exposing our vulnerabilities. But in order to do better for the military and for the country, we must have the best professional military judgment of our witnesses today on the current state of our military forces and on what a CR or inadequate funding would mean. To get on a better track we all have to be clear and candid with the American people. That is the purpose of today’s hearing.

**Statement of Ranking Member Adam Smith
House Armed Services Committee Hearing:
Consequences to the Military of a Continuing Resolution
April 5, 2017**

I thank the Chairman for holding this hearing, and I thank each of the service chiefs for appearing today. Their expert perspectives on military preparedness and how it might be affected by an annualized continuing resolution are vital to our deliberation of the issue. We are now in the second half of fiscal year 2017, and the federal government is still operating under a continuing resolution. By April 28, Congress must pass an appropriations bill, another continuing resolution, or a combination of the two to avoid a government shutdown.

Another continuing resolution would undermine timely and productive action. As I stated for the record when the service vice chiefs recently testified, the harms inflicted by the Budget Control Act (BCA) caps, years of budgetary standoffs leading to several threatened government shutdowns, one actual government shutdown, and congressional overreliance on continuing resolutions have combined to foster fiscal uncertainty, which has weakened the abilities of the Department of Defense and every other Federal Department and Agency to invest confidently and to fund critical activities. Uncertainty challenges the military's ability to fulfill the national defense strategy, and uncertainties regarding ground force end strength totals, the number of serviceable Navy ships and aircraft, the numbers of Air Force bomber and tactical fighter aircraft, other major weapon system procurement programs, and combat unit readiness are just a few defense-related examples of the numerous unsettling effects that the congressional failure to enact a comprehensive, deficit-reduction plan has imparted on governmental operations. Extended reliance on a continuing resolution in fiscal year 2017 would only perpetuate these uncertainties and further frustrate important plans and priorities.

It is, therefore, high time for Congress to put the country's fiscal house in order. I have long held that it must begin by eliminating sequestration in its entirety and by subsequently establishing a long-term, discretionary spending plan that advances national interests on a broad front. Unless the law is changed, sequestration would be applied in fiscal year 2018 through fiscal year 2021 to a wide variety of discretionary spending programs. Even the Administration's request for roughly \$30 billion in supplemental appropriations for the national defense budget function for fiscal year 2017 and its request for approximately \$603 billion in national defense base budget funding for fiscal year 2018 depend on Congress adjusting the BCA caps. However, securing defense dollars alone, especially at the expense of non-defense accounts, is unacceptable. Investments in homeland security, law

enforcement, emergency preparedness and response capacities, veterans services, diplomatic efforts, and foreign assistance programs also need to be prioritized, and we need to reinvest heavily in sound infrastructure, research and innovation, education, health care, public safety, housing, the workforce, small businesses and many other facets of enduring national strength. National security involves much more than defense. I also wish to reiterate that deficit-reduction goals cannot be achieved through cuts alone. Increased revenues and changes in mandatory spending are integral to the solution.

As we focus on addressing the needs of the military, we need to strike the right balance with respect to providing resources and with respect to maintaining an effective joint force. The National Defense Authorization Act for Fiscal Year 2017 authorized \$611.2 billion for national defense. Assuming that appropriations supporting that top-line amount eventually follow, it is a considerable sum. Given the complex diversity of the current security environment, one can make a strong argument for increasing funding for defense, but we clearly need to find new ways to realize savings within the defense budget to maximize effectiveness. I concur with former Secretary Gates' assertion that "not every defense dollar is sacred and well-spent, and that more of nearly everything is simply not sustainable." Simply throwing money at the defense budget is not a viable option. Rather, the legislative and the executive branches of government must work in concert to identify efficiencies that can be justifiably reinvested to good effect.

We must also guard against making force structure adjustments that could potentially compromise military effectiveness. The modern joint force is a sophisticated and carefully orchestrated body of specialized roles and capabilities. Too much attention to any one element or detail risks the cohesion and readiness of the whole. As we evaluate methods for rebuilding readiness and the preferences of the individual services for improving it, we need to do so with a mind to optimizing the effectiveness of the joint force construct. We must invest wisely when it comes to national security.

Thank you, Mr. Chairman. I look forward to our witnesses' testimony.

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RECORD VERSION

STATEMENT BY

GENERAL MARK A. MILLEY
CHIEF OF STAFF UNITED STATES ARMY

BEFORE THE

COMMITTEE ON ARMED SERVICES
UNITED STATES HOUSE OF REPRESENTATIVES

FIRST SESSION, 115TH CONGRESS

ON

CONSEQUENCES TO THE MILITARY OF A CONTINUING RESOLUTION

APRIL 5, 2017

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON ARMED SERVICES

INTRODUCTION

Today, our Army remains globally engaged to help secure our nation's interests in the face of a wide range of challenges. We continue to build partner capacity in Iraq as we destroy ISIS. We are training, advising, and assisting the Afghan National Defense Security Forces. In Europe, we are actively deterring Russian aggression and reassuring allies. In the Pacific Rim, we are sustaining regional stability and deterring aggression on the Korean peninsula. We are engaging our partners in Africa, and throughout North and South America, improving stability and security. Our Army is protecting important national security objectives in every region of the world, and plays a key role in every major contingency plan. In fact, almost 50% of Combatant Commander annual demand is met by Army capabilities and over 60% of Combatant Commander emergent demand is filled with Army capabilities. Today, over 80% of U.S. military forces in Iraq, Syria, and Afghanistan are U.S. Army soldiers. Ground Forces remain the most globally committed U.S. military force with over 180,000 U.S. Army Soldiers – Active, Army National Guard, and Army Reserve – committed to COCOM missions in over 140 countries worldwide. Meeting these demands requires your Army to be trained, ready and modernized. Moreover, investments made by Russia, China, and other challengers have exposed areas where we no longer retain the overmatch our nation has come to expect.

Conducting current operations, sustaining current readiness, and making progress towards a more modern, capable, and lethal future Army requires predictable and consistent funding at levels commensurate with the current and contingency operating plans. The lack of Fiscal Year 2017 appropriations resulting in a year-long continuing resolution, and no supplemental increase in funding for the remainder of FY 17, would result in significant negative impacts to current and future readiness and a reversal of progress towards reducing an already high military risk. Additionally, a return to arbitrary budget caps set by the Budget Control Act (BCA) in Fiscal Year 2018 will reverse gains we have made to improve readiness, risking a hollow Army lacking sufficient funding to man, train, equip, house, and modernize the force. We simply cannot sustain readiness or build the Army our Nation needs in the future if we continue

to rely on continuing resolutions and return to BCA caps in FY 18 instead of full-year defense appropriations bills.

In the last two years we have made steady progress in our core warfighting skills across multiple types of units, but we have much work to do to achieve full spectrum readiness necessary to meet the demands of our national military strategy and the Defense Planning Guidance. In short, we need to sustain the capability to fight and win against potential near-peer adversaries. Advances by our adversaries are real and the cumulative effect of persistent and destructive budget instability is increasing risk not only to the Army but to the Nation and could result in unnecessary U.S. military casualties on a future battlefield. Readiness to prevent or if necessary to fight and win wars is very expensive but the cost of preparation is always far less than the cost and pain of regret.

FISCAL YEAR 2017

Readiness is the Army's number one priority. Our current readiness funding requirement as submitted in the amended FY 17 President's Budget is \$3 billion above the Fiscal Year 2016 operations and maintenance enacted funding levels.

Our planning efforts for the FY 17 Request for Additional Appropriations centered on filling critical gaps in readiness, armor, air defense, artillery, aviation, and training resource gaps. We projected this funding would result in a doubling of Brigade Combat Teams (BCT) – from three to six – at the highest levels of readiness. If forced to operate under a year-long CR, this will not happen, and Army current readiness and efforts to close critical capability gaps would be severely impacted.

Funding under a CR will result in a dramatic decrease of all training, except aviation training, starts in May of this year and by 15 July will include a shutdown of critical homestation collective training for five Army BCTs preparing to deploy to Combat Training Centers (CTC), as well as the possible cancellation of one BCT CTC rotation. Concurrently, all efforts to increase Army end strength to 1,018K, an increase of 28,000 Soldiers across all components – as authorized in the FY 17 National Defense Authorization Act – will also cease. The cumulative effect of training shortfalls

combined with personnel constraints will result in an Army less ready to meet the current requirements of combatant commanders and limit our ability to assure allies and deter adversaries now and in the future.

Procurement efforts currently on hold will remain on hold, preventing the Army from immediately addressing known shortfalls and gaps in combat systems and munitions, electronic warfare and cyber programs, air and missile defense capabilities, long range fires, protection, and mobility programs, and other modernization efforts critical to maintaining, and in some cases, re-gaining overmatch.

Planned FY 17 production rate increases for current funding lines will cause operational delays in procurement and research across the Army and to specific initiatives, such as the European Reassurance Initiative – critical to deterrence in Europe. The programs most affected include ammunition, air and missile defense capabilities, and protection and mobility programs.

The resulting net effect of a year-long CR means a further degradation of Army readiness in both the current and future fiscal years, and no progress toward reducing the risk in modernization. In short, a year-long CR and a return to BCA funding risks deploying forces that are not fully ready for combat. We must never allow that to happen.

FY 2018

The return of funding caps under the Budget Control Act will reverse efforts to restore prior end strength cuts and improve Army readiness, and will cause the Army to further mortgage future readiness especially in our modernization accounts. Army force structure – our capacity, or size – will almost certainly contract to free the resources necessary to ensure near-term operational readiness to meet the demands of combatant commanders and fulfill war plan requirements. This significantly risks a return to a hollow Army. Mandated end strength without commensurate funding will mean only a select few units will be ready for combat. Turbulence associated with decreasing force structure caused by deactivating units will further hurt the readiness of remaining units. Training will continue to slow, as units will lack the funds, spare parts

for combat systems, and personnel to conduct critical combat training. Modernizing already deficient key infrastructure and facilities essential for training, mobilizing, and deploying forces will also be severely impacted.

The current battlefield is already very lethal, and the future battlefield will likely prove far more lethal than anything we have recently experienced. Continuing resolutions – paired with a return to BCA funding caps – will force the Army to defer and cancel modernization efforts across both our air and ground fleets that address immediate capability gaps and build our future Army. The continued recapitalization and modernization of forty to fifty year old equipment in the face of overmatch and increasing challenges from our adversaries places our Army at increasing risk on the future battlefield against near peer threats. Our adversaries have studied us and are rapidly leveraging available technology while the Army has yet to fully recover from the effects of sequestration in 2013. Time is not our ally. A return to the BCA caps would hamstring the Army's ability to build and maintain readiness at appropriate levels required by the Defense Planning Guidance and result in a multi-decade negative impact on our future Army due to a lack of modernization.

CONCLUSION

Sustaining the high levels of performance our Army has demonstrated in the face of increasing challenges requires consistent, long term, balanced, and predictable funding. Without it, the Army must fully fund current readiness at the expense of all else, including future readiness, facilities modernization, maintenance, and building the future Army. A year-long Continuing Resolution and a return to BCA funding caps will result in a U.S. Army that is out-ranged, out-gunned and outdated against potential adversaries.

We request the support of Congress to predictably fund the Army at balanced and sufficient levels to meet current demands and build a more capable, modern, ready force that is prepared to meet future contingencies.

NOT FOR PUBLICATION UNTIL RELEASED
BY THE HOUSE COMMITTEE ON ARMED
SERVICES

STATEMENT OF

ADMIRAL JOHN M. RICHARDSON

U.S. NAVY

CHIEF OF NAVAL OPERATIONS

BEFORE THE

HOUSE COMMITTEE ON

ARMED SERVICES

ON

CONSEQUENCES TO THE MILITARY OF A CONTINUING RESOLUTION

APRIL 5, 2017

NOT FOR PUBLICATION UNTIL RELEASED BY THE
HOUSE COMMITTEE ON ARMED SERVICES

Mr. Chairman, Ranking Member Smith, distinguished members of the Committee, thank you for the opportunity to appear before you today to discuss the impact on Navy readiness of extending the current continuing resolution (CR) for a full year.

I see readiness in the context of a competition that is real and intensifying, in which our maritime superiority is approaching razor thin margins. It is clear that Russia and China are working hard and fast to strengthen their position, influence their neighbors, and shift the world order in their favor. There are persistent headlines about Iran's actions to challenge security and commerce in their region, including by providing lethal assistance to forces nearby. North Korea's reckless and provocative missile tests and rocket launches inform its advance toward the goal of a nuclear weapon that can threaten the United States, raising tensions and creating uncertainty. And terrorist groups adapt and persist, continuing to inspire attacks in the west. All of this activity is occurring at an ever-quickening pace, and is increasingly complex.

As these threats evolve, the Navy maintains our relentless focus on protecting America from attack and promoting our interests around the world. We achieve this by

- Being powerful enough to deter conflict, but if deterrence fails, ready for prompt, sustained, and decisive combat operations at and from the sea;
- Operating forward, beyond the horizon and away from our shores, and prepared to fight close to home if required;
- Operating with our allies and partners. The scope and scale of today's challenges places a growing imperative on the assistance of our friends around the world -- assistance that can range from fighting with us in combined operations to intelligence sharing, from overflight rights to permission to operate from their ports. We can fight alone if we must, but together we are much stronger than the sum of our individual parts; and
- Coordinating and synchronizing across naval component commands around the globe, as part of the joint force.

As we have discussed before, ensuring the Navy's ability to perform our mission, now and in the future, is becoming a greater and greater challenge. We have not had sufficient resources to maintain the fleet at current levels of operational tempo, to modernize it to adequately address evolving threats, and to invest in new capabilities to maintain an edge into the future. Our competitors are gaining on us, and our advantage is shrinking.

I have previously described the combined effects of the continuously high pace of operations, the uncertainty of when our budgets will actually be approved, and constrained funding levels as a "triple whammy." All three elements of that dynamic persist, and the detrimental effects are being felt more and more acutely.

Our sailors, civilians, and families continue to bear the brunt of these realities, as many of you have seen in your visits to the fleet. Ensuring the full preparation of our deploying forces means we are unable to give our bench the training they deserve to achieve optimal levels of

expertise, the spare parts to keep their equipment functioning, work or office spaces that support their missions, or even the courtesy of more than one to two months' advance notice before we uproot them and send their families to new and distant locations. And once our sailors set out to sea, operational demands emerge that too frequently mean our teams return home later than planned.

These realities have consequences. Despite their many choices, our sailors willingly took an oath of office to support and defend our Constitution, knowing that this would involve danger and sacrifice. We must face the truth that those sacrifices are being exacerbated by the conditions that we are imposing upon them. It is taking a real toll on our teams and their families, adding stress that detracts from our focus on staying ahead of those that challenge us.

Fixing our readiness is not just about sufficient funding to buy what we need. Just as important, we must change how we do business so that we can act more quickly. In competition, time matters - the best Navy that arrives too late will lose. We are *competing in time*, but our processes are byzantine and lack urgency. This reduces our chances to be the first to field a new capability or develop a new concept. I am doing what I can to address this problem, and am grateful for the new authorities that you have provided to me. But funding instability and uncertainty add delays, delays that are becoming increasingly costly as we fall further and further behind the pace of available technology.

We are now six months into the fiscal year, and face the prospect of another CR. The negative impacts of a CR will continue to be felt long after this fiscal year ends in September. First, we will need to identify areas to cut over \$500 million to shift to much-deserved pay raises, housing allowances, and other cost of living adjustments for our sailors. Second, within our shipbuilding accounts, an extended CR will require us to realign \$4.4 billion in order to move ahead with planned ship purchases, adding more delay and churn for our already-besieged shipyards. The time to make these adjustments means that new ships will deliver late, and in turn that current ships will need to operate longer, at great effort and expense. Third, CR limitations will set us further back in the years to come, as we will lack the authorities to invest in new things that we had planned to help us to remain ahead of our competitors' advances. Under a CR:

- We will not purchase numerous new ships and advanced missiles;
- We will not start developing new ways to address a growing undersea warfare threat or create new and advanced cyber tools;
- And we will not increase production rates or buy parts for new aircraft carriers, early warning aircraft, armed helicopters, advanced missiles, undersea sensors and arrays, missile decoys, or radar enhancements.

Finally, if or when we ultimately do get funding, under a CR we will get less for our dollar. We will not have authority to enter into new multi-year contracts that allow us to

negotiate lower unit costs. We will pay higher prices for short-length services contracts. And we will have to spend more on overhead to write and review those agreements.

While the House-passed FY2017 Appropriations bill resolves many of these problems and is much better than an extension of the CR, the Navy will still need an additional \$2.1 billion to address immediate readiness shortfalls. Without it, three ships scheduled to deploy to Europe and the Middle East will stay home, our pilots will not fly and their jets will sit on the ramp needing maintenance, we may lose skilled sailors because we cannot fund their bonuses, our stocks of critical munitions will remain too low, and we will not be able to fix known cyber vulnerabilities. Our ability to deter potential adversaries will be undercut, and our allies and partners will become less certain of our capabilities, which will further intensify the competition.

Beyond the \$2.1 billion, the Navy's portion of the Request for Additional Appropriations also includes funding for things that, while they do not improve readiness in this fiscal year, still help to deliver combat power more quickly. Accelerating the number of available aircraft and spare parts for our squadrons, launching a new and more capable destroyer, and increasing the depth of our missile and ammunition magazines would help us dig out and stay out of the readiness hole that we are in more quickly --, a hole that gets deeper as we continue to steam and fly in support of ongoing operations.

Ultimately, my request to you is simple. Your Navy is out on the seas. Its sailors are being harassed by submarines and strike fighters, and even fired upon, as they protect the U.S. and its interests. We've been at war, operating hard, for 15 years. As we have been doing that, the rest of the world has not stood still - the competition is on, and it is heating up. Now, more than ever, time matters. I have a hard time believing that I am sitting before you now to discuss the potential that we might take steps to make those sailors' mission still more difficult, to give our adversaries more advantage, to make our people's lives more stressful -- not only now but in the years to come. I am hopeful that we can together find a way to reverse this trend and turn our attention to staying ahead of our competitors today and in the years to come.

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**DEPARTMENT OF THE AIR FORCE
PRESENTATION TO THE COMMITTEE
ON
ARMED SERVICES
UNITED STATES CONGRESS**

SUBJECT: IMPACTS OF A YEAR-LONG CONTINUING RESOLUTION

**STATEMENT OF: GENERAL DAVID L. GOLDFEIN
CHIEF OF STAFF OF THE AIR FORCE**

APRIL 5, 2017

**NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON ARMED SERVICES
UNITED STATES CONGRESS**

INTRODUCTION

To prevent sequestration-like effects and severe impacts to our Airmen and readiness, we need Congressional action to pass the Fiscal Year 2017 Defense Appropriations Bill, as specified in the amended FY 2017 budget request.

Your United States Air Force has been breaking barriers since 1947 and our Total Force Airmen are prepared to fight and win today. We secure peace throughout the full spectrum of hostilities with a decisive warfighting advantage in, through, and from air, space, and cyberspace. The unmatched **Global Vigilance, Global Reach**, and **Global Power** we provide for the Nation and our allies has never been more indispensable, and the demand for Air Force capabilities continues to grow. Rest assured, as long as our Joint Force is in the fight, the Air Force will continue to provide our nation's leaders and combatant commanders with air, space, and cyber options to deliver decisive action anytime, anywhere.

However, after 26 years of sustained global combat operations, a growing mission set coupled with a 38% reduction in end strength since 1991, and over half a decade of volatile and unpredictable budgets, we can no longer effectively balance capability, capacity, and readiness within constraints. The military funding constraints and resulting budgetary turbulence stemming from the Budget Control Act of 2011 (BCA), when combined with an unrelenting succession of eight Continuing Resolutions (CR), have critically challenged our ability to sustain warfighting capacity, improve readiness, modernize our force, and invest in research and development to maintain decisive advantages over near-peer competitors. The competitive edge we've long maintained over these actors is rapidly closing and, in some cases, has closed. Thus,

we need immediate Congressional action to pass the Fiscal Year 2017 Defense Appropriations Bill.

NEGATIVE IMPACTS TO OUR AIRMEN

A year-long CR would have an adverse impact on our people and readiness recovery. We would have to cut over \$2.8B in base and Overseas Contingency Operations (OCO) funding in the remaining five months of the Fiscal Year, forcing actions similar to those taken in 2013 during Sequestration. Further, we would be forced to use significant portions of DOD's limited general and special transfer authority to move funding between appropriations to cover must-pay bills (e.g., military pay), and even with the transfer authority, we cannot avoid impacts to personnel and readiness. This CR:

- Halts efforts to grow active duty personnel end-strength as directed in the FY 2017 National Defense Authorization Act (NDAA), preventing us from meeting our top readiness priority. It also inhibits manpower growth in new or expanding mission areas including Remotely-Piloted Aircraft (RPA), cyberspace operations, intelligence, surveillance, and reconnaissance (ISR), and nuclear command, control, and communications (NC3).
- Prevents the Air Force from continuing to close critical career field gaps, undercuts our ability to close aircraft maintenance manning shortfalls, and thwarts our efforts to remedy our pilot shortage crisis.
- Defers bonus payments across numerous critical career fields, devastating critical programs we must have in place to retain Airmen with indispensable skillsets. Our taxpayers invest approximately \$11M to produce each fifth-generation fighter pilot,

and our active-duty fighter pilot shortage is expected to exceed 1,000 by the end of Fiscal Year 2017. The Aviation Retention Bonus is critical to our efforts to address this crisis. Most important, deferring bonuses breaks faith with our Airmen, who make great sacrifices every day to defend our nation.

- Delays operational, unit, and training permanent-change-of-station moves until Fiscal Year 2018, halting all moves internal to the Continental U.S., creating a severe training backlog, and leaving positions vacant across the Air Force. This severely degrades the quality of life for our Airmen and their families in the process of moving, as schools, jobs, child care, and other plans are disrupted.
- Significantly reduces Air Reserve Component (ARC)-filled OCO taskings, causing significant degradation in Air Force support of current global operations.
- Precludes filling civilian vacancies outside of mission-critical areas, which would directly increase workload demands on remaining personnel.

NEGATIVE IMPACTS TO OUR OPERATIONS & MAINTENANCE (O&M)

Significantly impacting our O&M readiness accounts, a year-long CR:

- Creates a \$2.4B (Base and OCO) shortfall in the O&M portfolio that will need to be sourced at the expense of readiness requirements.
- Eviscerates our Flying Hour Program (FHP), grounds non-deploying squadrons, and degrades qualifications and proficiencies of remaining aircrew. This exacerbates the Air Force's ability to meet pilot production throughout and reduces readiness in Combat Air Forces units for the foreseeable future.
- Forces a \$1B cut to our Weapon System Sustainment (WSS) accounts, preventing us from maintaining predictable and sufficient funding for our sustainment actions—

limiting aircraft availability, beyond those grounded for lack of FHP, needed for wartime and full-spectrum training.

- The Air Force would need to reconsider participation in 3rd and 4th quarter live-fly exercises. Distributed exercises could be supported but would continue at a lower level of participation. While the Air Force cannot “cancel” any Combatant Command exercise, the Air Force could reduce participation in such exercises, which would impact training in support of combat capabilities.
- Halts all restoration and modernization projects, effectively cancelling 301 projects at 78 installations across the Air Force, including 51 directly related to maintaining Air Force readiness levels. It also limits facility projects to only those actions addressing life, health, and safety.

NEGATIVE IMPACTS TO OUR MODERNIZATION EFFORTS

A year-long CR would impact more than 60 Air Force acquisition new starts in aircraft, space, missile, and ammunition procurement while simultaneously curtailing our Research, Development, Test, and Evaluation efforts. This CR:

- Negatively impacts programs intended to sustain strategic platforms, forcing shortfalls in five critical programs.
- Limits munitions production to Fiscal Year 2016 rates, which do not meet current usage and inventory requirements. Additionally, inventory levels for flares, cartridges, and training munitions are already very low, impacting our aviators' ability to counter real-world enemy fire while reducing live fire training scenarios—both essential for success on the battlefield.
- Forces delays in critical acquisition new starts, including MQ-9 upgrades, Joint

Interagency Combined Space Operations Center, and C-130 Avionics Modernization Program Increment 2.

- Delays fielding of the new COMPASS CALL Prime Mission Equipment platform, putting the Air Force's ability to meet Combatant Command requirements for vital COMPASS CALL at risk. This weapon system is essential for disrupting enemy command and control communications in support of U.S. and Coalition tactical air, surface, and special operations forces.
- Restricts our ability to award the Long Range Standoff Weapon and Ground Based Strategic Deterrent technology-maturation and risk-reduction contracts on time, jeopardizing the Initial Operational Capability dates, and requiring service life extension of the aging Air Launched Cruise Missile system.
- Inhibits our ability to meet the Evolved Expendable Launch Vehicle (EELV) program's mission critical requirements. This CR would impact launch capability, force the Air Force to delay award of a competitive EELV procurement currently in source selection, and delay the launch of a critical national security space capability.
- Limits the Air Force's ability to support on-going MMIII flight tests, potentially impacting our most-responsive leg of the nation's nuclear triad. This will create a year-long gap in ICBM Force Development Evaluations (FDE), which are needed to collect the data for the weapon system's effectiveness report to show the MMIII weapon system is reliable and accurate. Also, the data collected during the FDEs are used by Department of Energy for continued certification to the President in the Report on the Stockpile Assessment.
- Significantly impacts our Combat Training Ranges supporting warfighter development

of new tactics, techniques, and procedures in a relevant, realistic combat environment, which is critical to 4th and 5th generation air dominance.

- Stops work on the Global Positioning System (GPS) Next Generation Operational Controls System program, delaying scheduled acceptance and preventing availability to support the planned GPS III Satellite Vehicle 1 launch in March 2018. Launch of the first GPS III satellite is critical to maintain operational availability of the GPS constellation.
- Delays Initial Operational Capability of the Protected Tactical Enterprise Service to 4th Quarter Fiscal Year 2023, directly impacting the Navy's ability to utilize the Wideband Anti-jam Modem System.
- Restricts F-35A Dual Capable Aircraft funding in FY17, delaying compatibility and safety design certification tasks critical to maintaining nuclear certification timelines and jeopardizing our ability to provide this key capability in support of our allies in the future.

CONCLUSION

We need Congressional action to pass the FY17 Defense Appropriations Bill (at the amended FY 2017 budget request funding levels), repeal the Budget Control Act, and provide us with budget stability. These actions will allow us to train and equip our Airmen to meet current threats to our nation as well as develop a ready force to defeat future adversaries. Our fellow Americans expect us to deliver overwhelming air, space, and cyber dominance for the nation, and we need your support to provide this blanket of freedom and security.

Not public until released by the
House Armed Services Committee

**STATEMENT OF
GENERAL ROBERT B. NELLER
COMMANDANT OF THE MARINE CORPS
BEFORE THE
HOUSE ARMED SERVICES COMMITTEE
ON
CONTINUING RESOLUTION CONSEQUENCES
05 APRIL 2017**

Not public until released by the
House Armed Services Committee

General Robert B. Neller, USMC
Commandant of the Marine Corps

General Robert B. Neller assumed the duties of Commandant of the Marine Corps on September 24th, 2015. A native of East Lansing, Michigan, he graduated from the University of Virginia and was commissioned in May 1975. He previously served as the Commander, Marine Forces Command from June 2014 to September 2015.

General Neller has served as an infantry officer at all levels. He commanded the Marine Security Force Company Panama during Operations JUST CAUSE and PROMOTE LIBERTY, 3d Light Armored Infantry Battalion during Operation RESTORE HOPE in Somalia, 6th Marine Regiment, 3d Marine Division and Marine Forces Central Command.

His Joint assignments include service in the Policy Division of Supreme Headquarters Allied Powers Europe (SHAPE) in Casteau, Belgium, and as the Director of Operations (J3) of the Joint Staff in Washington, D.C.

He has also served as Executive Officer, 7th Marine Regiment, G-3, 2d Marine Division, G-3, II Marine Expeditionary Force, Assistant Division Commander for the 1st and 2d Marine Divisions, and Deputy Commanding General, I Marine Expeditionary Force (Forward) during Operation IRAQI FREEDOM 05-07.

General Neller is a graduate of the Advanced Armor Officer Course, the Marine Corps Command and Staff College, the NATO Defense College and the Armed Forces Staff College. He holds a M.A. in Human Resource Management from Pepperdine University.

Introduction

Your Marine Corps stands ready to answer the call in any clime and place as our Nation's Naval Expeditionary Force-in-Readiness. That said, our current operational tempo remains exceptionally high. We continue to adapt and innovate across our five focus areas of people, readiness, training, naval integration, and modernization in the context of the current continuing resolution (CR) and resulting resource challenges. We are building a "5th Generation Marine Corps" able to counter the evolving threats of this century (China, Russia, Iran, North Korea, and violent extremism). This requires us to change the composition of the force, while we continue to execute our material readiness recovery plans, and concurrently modernize our equipment.

The Marine Corps has and will remain good stewards of the resources we are provided; we are affordable. Case in point; for 7% of the Department of Defense budget the Marine Corps provides 21% of the active infantry battalions, 15% of the fighter/attack aircraft and 19% of the artillery battalions. However, operating under CRs for some portion of the past eight fiscal years, to include government shutdowns, has impacted readiness. Operating under a full-year continuing resolution through the remainder of FY17 will seriously degrade readiness across our force affecting our people, readiness, and modernization efforts. Additionally, without the ability to reprogram funds while under a full year CR, the Marine Corps is unable to address unplanned urgent needs and other operational requirements such as tools to counter adversary Unmanned Aerial Systems in theater. In specific terms, a full year CR and no additional funding may result in the following: the termination of flight operations in July, delayed construction of one amphibious ship, a halt to many modernization gains, cancelled or reduced participation in service-level, joint and combined exercises, many necessary to prepare units for deployment

such as Integrated Training Exercise (ITX), and reductions in available aviation munitions to include delays to necessary modification of laser Maverick missiles, procurement of Hellfire missiles, and recovery of Laser Joint Direct Attack Munitions (JDAM) stocks. Marines are deployed around the globe and need adequate resources to meet our commitments and at the same time prepare and adapt to meet the challenges of our evolving foes.

People

The center of gravity of the Marine Corps is its people. Trust amongst Marines is critical to readiness. The Marine Corps has reason to look inward in light of the “Marines United” revelations to ensure our culture reflects our core values of honor, courage, and commitment, to improve the manner in which we value and treat all Marines, and emerge a better Corps. At the same time, the American people trust us with precious resources. We must and will remain good stewards with what we are provided, however, central to meeting and upholding our commitment is dependable and predictable funding such that we are fully ready to accomplish the mission.

The FY17 National Defense Authorization Act approved an end strength of 185,000 Marines. Under a full year CR we would not be able to grow to that end strength. The Marine Corps operating forces are currently averaging, in the aggregate, less than a 1:2 deployment to dwell ratio. This tempo is not sustainable as it does not provide options to train to our full mission sets and puts unreasonable strain on our Marines and families. A combination of a deliberate and measured end strength increase coupled with prudent operational employment of the force is the only path to a sustainable 1:3 deployment to dwell ratio. The CR does not afford this option.

A full year CR will impact the Reserve Component (RC) the most as it will result in a 44 million dollar, or 6.2 percent decrease from the amended FY17 budget request in the Reserve Personnel, Marine Corps (RPMC) account. This decrease will directly impact the Marine Corps Reserve's FY17 ability to fulfill commitments to Combatant Commanders (CCDRs) to provide forces in support of regional security cooperation, crisis response, crisis prevention activities, and support to combat operations. Our Special Purpose Marine Air Ground Task Force – Southern Command is largely comprised of Marines from the RC – this deployment will suffer, potentially straining relationships in that region. Furthermore, the fourth quarter would see almost a 50 percent reduction in drill and annual training. The Marine Corps multi-year Training and Readiness Plan includes the integration of Reserve units, detachments, and individuals into Service, Joint, and Multilateral level exercises; therefore, the 44-million-dollar reduction will have substantial impacts on FY17 unit formations that have been planned for over a year. If not funded, the reduction will immediately create a force management dilemma that will increase an already high operational tempo across the total force.

Readiness

Readiness is central to who we are as Marines. We are the force “most ready when our nation is least ready,” which is incompatible with tiered readiness in theory or practice. Forward deployed forces in every geographic combatant command are trained and ready; Marines in Iraq, Afghanistan and Syria, the over 21,000 in the Pacific, and those embarked on naval ships with our three deployed Marine Expeditionary Units are ready. Marines don't get ready when the crisis occurs. We must prepare those next to deploy and maintain a ready bench to respond to crisis or contingency, with minimal notice. While forward deployed forces and those about to

deploy will remain ready, the instability of the current fiscal environment, compounded by current shortfalls in our Operation and Maintenance (O&M) accounts, impact our ability to maintain a “ready bench.” A full year CR would see an even larger O&M deficit and exacerbate the problem further.

For example, Marine Aviation is in the midst of a focused readiness recovery effort. We have developed an extensive plan to recover or improve readiness across every Type/Model/Series in the current legacy inventory, all while we continue to procure new aircraft. We are realizing steady improvements in aviation readiness, but the plan requires sustained funding, parts and supply support, flight operations, and time. Under a full year CR, flight operations within the continental U.S. will cease in July and hard fought gains made in Marine Corps aviation readiness will stall or be reversed. Finally, a full year CR will further delay the modification of nearly 200 laser Maverick missiles, procurement of 100 Hellfire missiles, and delay the planned recovery of Laser Joint Direct Attack Munitions (JDAM) shortfalls. These delays affect our ability to replenish warfighting assets, impact our current operational capabilities to support current contingency operations, limit our next to deploy units’ ability to train, and cost us more in the long-run.

A full year CR will reduce the scope and scale of exercises which will impact unit level deployments for training, service level pre-deployment training such as ITX, and large, multi-lateral exercises such as BOLD ALLIGATOR ’17 and COLD RESPONSE ’18. This will not only reduce readiness, it will impact hard won, but never guaranteed relationships with foreign partners and allies.

Our ground equipment readiness is approximately 90 percent availability and 94 percent serviceability, allowing the Marine Corps to conduct mission requirements. That said, under a

full year CR we can expect to see delayed maintenance, shortages of parts, dramatically extended work hours as Marines try to sustain the increased workload of unserviceable equipment. Furthermore, long-term underfunding of aging facilities and sustainment requirements has resulted in the degradation of our infrastructure and increased long-term costs to return these assets to proper condition. Funding for our facilities sustainment, recapitalization, and modernization (FSRM) has been sacrificed to support the readiness of our deployed and deploying forces in recent budget cycles. A full year CR will impact an already bad situation resulting in a 10 to 15 percent reduction to facilities sustainment levels and/or elimination of currently programmed demolition, restoration, and modernization projects, including recovery from the tornado damage recently sustained at Marine Corps Logistics Base Albany, Georgia. Infrastructure sustainment is a key enabler to our current readiness. Investment in real property, facilities maintenance, and base infrastructure to support the missions and readiness of our operating forces and other tenant commands are critical to providing the capacity and capability needed to build, train, and launch combat ready forces.

Modernization

Modernization is future readiness; however, under a full-year CR recapitalization and modernization efforts will be disrupted. Budget cuts since the Department of the Navy top line peaked in FY08 coupled with fiscal uncertainty, forced us to utilize limited resources to ensure the readiness of deployed forces and sacrifice end strength, home station readiness, infrastructure sustainment, quality of life programs, and delay critical modernization. We need to modernize rapidly, to replace “old iron” with new, reliable, sustainable, and affordable equipment across the

Marine Air-Ground Task Force (MAGTF). We must remain relevant and develop as a “5th Generation Marine Corps” able to operate across all domains.

FY17 CR based prohibitions on program new starts and quantity increases, as well as limitations on investment funding at line item levels, will prevent planned funding and production rate increases for multiple ground and aviation programs. Under a full-year CR specific FY17 new starts, quantity increases, and line item funding increases will be affected. New starts affected by a full year CR include: Cyber Operations Technology Development supporting Marine Corps Cyber Mission Forces, CH-53K low rate initial production (LRIP), Unmanned Aircraft Systems (UAS) Sensor Payloads, and Joint Air-to-Ground Missile (JAGM). Under a full year CR our acquisition of key systems is at risk and would drive necessary reductions to include: Joint Light Tactical Vehicles (74 vehicles), Common Aviation Command and Control System (CAC2S) (10 systems), RQ-21 UAS (1 full system: ground infrastructure plus 5 air vehicles), F35B (1 aircraft), and CH-53K (2 aircraft). Slowing CAC2S is detrimental to our aviation combat element as it is a much needed command and control (C2) upgrade necessary to further exploit the information domain. Additionally, many programs require funding increases included in our amended FY17 budget request to support capabilities to meet the needs of an ever changing future operating environment. Systems that require additional funding include: Network on the Move (NOTM), Ground / Air Task Oriented Radar (GATOR), and Precision Extended Range Munition (PERM). A full year CR prevents a funding increase for NOTM – another C2 system necessary to increase ground maneuver capabilities. New starts, quantity increases, and requested line item funding increases are all essential tools to ensure our Marines are operating with the most technologically advanced equipment necessary, building future readiness for our Corps, and are prohibited when operating under a CR.

Conclusion

The Marine Corps will continue to meet current operational requirements; however, without support for our budget requests and consistent funding we cannot achieve and sustain acceptable levels of readiness. To truly operate, recover, recapitalize, and rebuild the readiness our nation needs, the Marine Corps requires the resources and stability provided by the FY17 budget, plus the additional resources identified by the Secretary of Defense in the FY17 Request for Additional Appropriations. Funding the Marine Corps via a CR continues to stress the force, stunt necessary capability and capacity growth, and reverse hard earned gains made by our readiness recovery efforts. The American people expect and deserve nothing less than a Marine Corps that is ready and capable of deterring and defeating future threats, and the Marines Sailors, Civilian Marines and our families need the resources to successfully meet this challenge.

QUESTIONS SUBMITTED BY MEMBERS POST HEARING

APRIL 5, 2017

QUESTIONS SUBMITTED BY MR. BROOKS

Mr. BROOKS. If a high priority is being placed on the fastest schedule to field five Airborne IBCTs and particularly the three IBCTs with the 82nd Airborne Division who have the Global Response Force Mission, why wouldn't leveraging the 70 DAGORs already in the 82nd along with the OEM available inventory and production be the most expeditious and cost effective way to accomplish this especially given it has been certified for Air Drop and Sling Loaded by the National Mission Force?

General MILLEY. The DAGORs were bought specifically to support the Global Response Force requirement in an Operational Needs Statement (ONS) submitted by the 82nd Airborne Division. No other ONS exists for the remaining Airborne IBCTs. An additional purchase of the same vehicle without a validated ONS is prohibited based on regulatory and statutory limitations.

To quickly field this capability, we will procure a limited quantity of 295 GMV1.1 vehicles under a directed requirement for the Airborne IBCTs thru an existing, competitively-awarded Special Operations Command (SOCOM) contract. The SOCOM's Joint Capabilities Integration and Development System-approved requirement for GMV1.1 meets the Army's current requirement as well. This plan accelerates delivery of this critical capability by two years—from Fiscal Year 2020 to Fiscal Year 2018. It allows us to fill an immediate need while refining the requirement to support full and open competition for the remaining IBCTs.

This approach is consistent with Congressional intent to find ways to accelerate the delivery of equipment to our Soldiers.

Mr. BROOKS. Why is the Army taking on the significantly higher vehicle costs and the cost risk for an unknown final unit price with a guidance of \$260,000.00 Average Unit Manufacturing Cost (AUMC)?

General MILLEY. Speed of delivery is our highest priority. The Army is willing to pay a higher cost of up to \$260,000 to provide the initial capability of 295 vehicles to support our Soldiers' as quickly as possible. The Army benefits from purchasing the GMV1.1 because the vehicle has already gone through testing and logistics development and shares the same repair parts system in the Army, all of which save time. The remaining ~1,700 GMVs will be procured through a full and open competition, once the requirement has been refined, which should reduce cost.

Mr. BROOKS. Explain the rationale for how the SOCOM GMV 1.1 requirement can meet the critical parameters of the Airborne IBCT GMV; e.g. 9 infantry soldiers and their gear, air droppable, sling load capable and 250 miles range or more on vehicle organic fuel tank?

General MILLEY. The approved SOCOM GMV 1.1 Capability Production Document supports all of the critical capabilities for the Airborne IBCTs, except for the 9-seat capacity. The SOCOM program office is supporting a contract modification that allows for production of a 9-seat variant within the scope of the existing production contract. Based on test results, the GMV 1.1 is transportable by CH-47 internally and externally with 250 mile operational range. The SOCOM program plans to complete the air drop test by the first quarter of Fiscal Year 2018.

Mr. BROOKS. Is there a material difference between the Sustainment and Maintenance support of the SOCOM GMV 1.1 solution and the commercial alternative currently being used by the 82nd?

General MILLEY. Yes, there is a material difference. The Army benefits from purchasing the SOCOM GMV1.1 because under the contract the vehicle shares the same sustainment and maintenance system with SOCOM. The DAGOR's were commercially purchased for the specific purpose of filling an Operational Needs Statement for the 82nd Airborne Division. Because the vehicles are not centrally managed they must be maintained by the unit without support from the Army logistics system or any additional funding to maintain them. There is also no long term sustainment support for DAGOR. The unit must continue to use unit training funds to purchase maintenance and sustainment requirements directly from a commercial vendor. Ultimately the vehicles will be replaced by the GMV which will provide the parts system to support the unit.